Interview with Mary Seymour Olmsted

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AMBASSADOR MARY SEYMOUR OLMSTED

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This is an interview with Ambassador Mary Seymour Olmsted on behalf of The Association for Diplomatic Studies. I am Charles Stuart Kennedy.

Q: I wonder if you could give me something about your background, where were you brought up, and educated?

OLMSTED: I was born in Duluth, Minnesota, but I lived there only three years and then we moved to Chattanooga, Tennessee which was my father's home. And after three years there we moved to Florida—that's really where I grew up. I attended school in Florida starting from the first grade going through high school. We lived in a very small town called Indian River City which is about three miles from Titusville, and it was in Titusville where we went to school, and to church, and did our grocery shopping.

Q: What sort of business was your father in?

OLMSTED: My father was educated as an engineer at the University of Illinois, but when we went to Florida he went into the citrus business. He had a couple of orange and grapefruit groves, and that was his occupation there.

Q: So you grew up in Florida, this is during what period?

OLMSTED: We moved there in 1925, and I might mention that the depression reached Florida earlier than the rest of the country because of the land boom followed by the bust. Therefore most of my childhood and going on into adolescence was quite dominated by the depression.

Q: Many of us came out of that. My family moved from the fancy suburbs of Winnetka to southern California because of that. What type of education were you getting?

OLMSTED: I went to the schools in Titusville which were almost rural schools.

Q: Southern rural...

OLMSTED: Southern rural schools' and the education was not at all adequate. The teachers were not well trained, the competition was very, very limited, the classes were quite small. There were only 26 students in my graduating class from high school. When I went to Mount Holyoke I found there was a great big difference, and that it was really quite hard for me to keep my head above the water at Mount Holyoke.

Q: How in hell did you make the jump from Titusville high school to Mount Holyoke? This is two different worlds.

OLMSTED: Yes, indeed. I took the college boards and as I understand it, at that time they did give a bonus in points to graduates of southern high schools. And I think that's how I got in. I survived but it was hard work, and certainly I didn't shine academically at Mount Holyoke.

Q: You were right in the heart of the educational establishment.

OLMSTED: Yes, very much so.

Q: What were you majoring in?

OLMSTED: I majored in economics.

Q: Why economics?

OLMSTED: I thought it was interesting. I thought it would be a way to earn a living, and it appealed to me more than some of the other possibilities. Mount Holyoke was fairly strong in the sciences, but I wasn't particularly interested in science, and economics seemed like a good choice.

Q: You graduated from Mount Holyoke when?

OLMSTED: In 1941.

Q: And then what did you do after that?

OLMSTED: Like so many college girls, I wanted to go to New York City. That was the goal of my generation, and I worked there for four years, two years in one of the major banks, and then two years in an economic research organization. And in the meantime I managed to pick up a Master's degree, also in economics at Columbia University.

Q: Were you working as you moved in on economic research with any particular thrust of what you were working on, any field?

OLMSTED: When I was working in the bank my work was in securities analysis. And then in the research organization I was doing a small part of a very large scale work on the business cycle.

Q: At that point in 1945 you moved to State?

OLMSTED: Yes.

Q: What attracted you towards the State Department?

OLMSTED: A friend of mine had left New York and gone down and gotten a job in Washington in one of the wartime agencies. And she wrote letters back, or came up for weekends, and told us about what a wonderful time she was having, how much she was enjoying it, and how much more interesting her work was than anything she had been doing in New York. She urged me, and I think some of our other friends, to make a try for it. So I went down one weekend—came down to Washington—and stayed with her and made the rounds of some of the agencies that she had suggested that I might try.

One of them was the Department of State, which was then hiring people for the Foreign Service Auxiliary. I didn't think I had a chance in the State Department, its biases were well known even to...

Q: Can you explain about the biases?

OLMSTED: Well, it was not considered a place where they hired women for anything except clerical jobs. So I decided I would go for an interview with the State Department, but that would be my first one because I wanted to get a little experience in how government agencies interviewed people. And I wanted to get a certain feeling for what it would be like, and I thought I don't have a chance in the State Department anyhow so if I flub it it won't make any difference.

Q: So it was a very practical approach.

OLMSTED: Very practical, yes indeed. And to my surprise when I talked to Walton Ferris, whom you may remember as one of the old timers in the Personnel Division, he seemed interested in my background, and what I had to offer. And I went on for a few other interviews, went back to New York, and a few weeks later I got a letter from Walton Ferris

offering me a job as a junior economic analyst in our Consulate General in Montreal. I thought that was pretty exciting.

Q: What was the structure that would call for a junior economic analyst? Normally you'd come in as an undifferentiated Foreign Service officer, or something like that.

OLMSTED: I'm not sure that Montreal was necessarily consulted on this. I think its quite possible that it was someone in Washington who decided that the economic reporting needed a little beefing up and instead of hiring someone at a senior rank, they hired someone at a very junior rank. There were 17 officers in Montreal at that time, and I was number 17.

Q: '45-'46 you were in Montreal. Did you get any training before you went there?

OLMSTED: I was sent to the Foreign Service Training School which was then in the old Lothrop mansion. It was the training that was being offered to all incoming officers whether they were attach#s or whatever. That was a six week course, and that was the extent of it.

Q: Did you get any feel for your group? Were you with a group doing that?

OLMSTED: Yes.

Q: Because I think one of the things that would be interesting, here the war is just over.

OLMSTED: This was just before the end of the war.

Q: To get a feel for what were these people like who came into the Foreign Service at that time? What did your group see as the role of the United States?

OLMSTED: It was a very mixed bag. Many of the people were quite a bit older than I was, and they had quite differing backgrounds. Some were in labor, some in economic

affairs, some in political affairs, and so on. One of them was Bill Cobb, and he and I like to reminisce when we run into each other at DACOR.

Q: There was an interview with Bill Cobb in our collection. I take it then this was before the big in-rush of veterans?

OLMSTED: Oh yes.

Q: So this was a particular group in a way because the next cut that would be coming in the next six months or so—the war ended in August of 1945—and then came the great influx of veterans. But this was a group, as you say, of people with more professional backgrounds of various sorts that pertained to the Foreign Service.

OLMSTED: Yes.

Q: Did you feel that there was a sense of mission, or anything like that for the United States? Or was it just a job?

OLMSTED: Maybe a little more than a job but not a great sense of mission, no.

Q: It wasn't, the United States was going to go out and make sure there were going to be no more wars, or something like that?

OLMSTED: No, I don't think there was that feeling. I think people felt they were doing their part, and they realized it was very, very late in the war, that things were obviously winding down. I think a lot of the people there wanted the chance to live abroad, and see what things were like abroad, and that was part of it.

Q: When you went up to Montreal you say you were number 17. You went in as an economic attach#? Was that the title?

OLMSTED: Junior Economic Analyst was my title.

Q: What did you do?

OLMSTED: Well, mainly I helped other people with what they were doing. We had a section of...I think there were four of us in the economic and commercial section, and a lot of the work I did was of a support nature.

Q: Did you feel that you were welcome there? I'm thinking in particular your saying it sounded like they wanted to send somebody there to shore up the economic reporting. Or did they feel, what do we need another economic analyst for? We're doing all right, or something like that.

OLMSTED: I'm not sure I could answer that. I think they were a little puzzled that I had arrived on the scene, but they were pleasant enough about it. And a few months after I got there I took the Foreign Service examination which was advertised very shortly after I got there, and I passed it. Then I was called down to Washington to take the orals. I think people were very surprised that I passed the written examination, and also that I passed the orals because the Foreign Service officers at the post I think had mostly had the experience of taking it three or four times before being passed. And they weren't used to having someone pass it on the first go-around.

Q: This is very much the pattern. Did that change your assignment? In the first place, back to Montreal. Why did we have such a big staff in Montreal doing economic reporting? I would have thought that, one, Toronto would be the business center, and, two, Ottawa would be the political omega economic thing.

OLMSTED: Montreal is a considerable city, and there are American business interests there. There's no question about that. We did not only the economic reporting, but also the labor reporting and there were some concerns over the stability of the labor situation there. And the French angle, of course, was of concern even at that time.

Q: Did you find there at that time that the English speakers were very much running things, and the French speakers were shunted to one side?

OLMSTED: To a considerable degree. I might add that politically that was less true than it was economically. But the storeowners, I think, were very largely English, and the store clerks were very largely French.

Q: You really didn't stay there very long did you?

OLMSTED: No, I was there just over a year.

Q: And then you moved on to Amsterdam, and you were there from '46 to '49.

OLMSTED: Yes.

Q: What were you doing in Amsterdam?

OLMSTED: Initially I was sent to the commercial section, and I was doing reporting on the recovery of the consular district following the war. That was very interesting, I enjoyed it.

Q: What was the economic situation that you were dealing with then?

OLMSTED: Well, it was still very much a wartime situation. I arrived there in November of 1946, and the winter that was just beginning then was that harsh winter after the end of the war.

Q: Really was one of the worst winters Europe has had, and certainly right at the wrong time.

OLMSTED: Absolutely, and there was a great deal of suffering and deprivation. Even when they were able to get coal, they couldn't transport it around because it usually went by canal barge and the canals froze. Therefore the city was cold and the people were

hungry, food was still very strictly rationed. And even though I had extra rations, it still wasn't very luxurious eating.

Q: How did you do your work? I mean things were still falling apart, how does one work as an economic reporting officer in a situation like that?

OLMSTED: Well, one goes out and talks to the Dutch people. I didn't speak very much Dutch, but English was very widely spoken, and I'd talk to them about their problems and what they were doing. There were some government statistics coming out, not a lot but there were some and, of course, I used those to buttress what I was reporting. I managed to travel around a fair amount to see for myself what was going on. I made one trip to Arnhem and Nijmegen close to the German border, the areas that had been terribly, terribly bombed.

Q: This is the place where they had a major battle in an attempt to by-pass the German army and failed.

OLMSTED: Yes, and you could see the rubble for miles and miles piled up along the road as you approached either of those places that slowly were rebuilding. And, of course, I heard a lot of war stories and the terrible times they had there.

Q: Did you get a feel for how the Dutch were responding to the rebuilding, and the reconstruction? One thinks of them as being a commercially motivated nation. Did they seem to be pulling up faster than maybe some of the others because of this?

OLMSTED: It was very hard for me to make comparison with other countries because I simply wasn't doing that much traveling, and when I was I was just a tourist. The Dutch not only had the problem of rebuilding, and reconstruction after the war, they also had the problem of the Netherlands East Indies. And as the situation was falling apart in the East Indies, refugees were coming back in very considerable numbers. And the Dutch had both

the psychological problem of adjusting to the loss of the Indies, and also the physical and financial problem of absorbing these refugees, and this added to their problems.

Q: The Marshall Plan had not yet geared up, or did it?

OLMSTED: It did a little bit later, but the at the time I went there it wasn't even thought of.

Q: We weren't doing much, we were sort of unhappy about what was happening in the Dutch East Indies, and we didn't really want to support the Dutch. What did the Dutch feel about Americans?

OLMSTED: The Dutch felt the Americans were doing far too much in supporting the Indonesians. Initially, when I went there, the Dutch felt terribly grateful to us but I could feel the sentiments changing somewhat as I stayed, and this situation developed.

Q: How were relations with the embassy? Here's Amsterdam that's really is a major city, and The Hague off to one side, and economically, of course, it was even probably more so. Were there any problems with the economic section at the embassy?

OLMSTED: I don't remember any very serious problems. We kept in fairly close contact. You could get to The Hague from Amsterdam in an hour, and we did a certain amount of running back and forth to discuss things, and of course we had the telephones, so we were in pretty close contact. The man who was the Economic Counselor in The Hague had earlier served in Amsterdam, so he had a certain number of contacts which probably made things a little bit smoother than they might have been otherwise.

Q: I would think there would be a built in problem there in the system by having the capital off to one side.

OLMSTED: I think it probably became more of a problem later on, but at the time I was there there was so much reporting that needed to be done, so many things that we needed to know, that there wasn't the competition that might have developed later on.

Q: With the reporting, did you have the feeling that these reports were being read and used? Because obviously these later were going to be cranked into the Marshall Plan, all this reporting. But at the time what was your sense for the use of these economic reports.

OLMSTED: I did not particularly have the feeling that they were being ignored. Now, I won't say that I felt that the Department was waiting breathlessly for each one that arrived. I thought they were found useful.

Q: It was a period when things had changed so much that we had to rebuild our entire information stockpile, knowledge of what was happening in Europe. Just to get a feel again, did you find that because things were changing, a sort of an exciting time, or was it fun?

OLMSTED: In some ways it was depressing. There was real suffering there and we got little tastes of it. Our Consulate General building was taken over from the Germans—it had been the German headquarters in Amsterdam—and it was quite cold, and our local employees would come to work and you see they were just shivering, and every time the wind changed half of them would be out with colds or the flu. In a small office like that, you get to know the locals pretty well, and we felt their suffering and that did have an impact on us.

Q: Did you get any feel, at that time, about the changing attitude toward the Soviet Union? Obviously in Amsterdam this wasn't your main fix, but also within the Foreign Service. Were people beginning to say, the enemy is not dead, but we have a new one?

OLMSTED: I got it a little bit in Amsterdam, but much more in Reykjavik. It was in Reykjavik where I felt the change.

Q: You went to Reykjavik in 1949 where you stayed until '51.

OLMSTED: Yes.

Q: And you were what? A political officer there?

OLMSTED: Yes.

Q: You went to Iceland doing political work. What was the situation in Iceland at the time, politically?

OLMSTED: The matter of greatest concern at the time I went there was whether or not Iceland would permit the United States to establish a NATO air base. That was what dominated the political scene insofar as we were concerned. The government of Iceland, when I went there, was I think a coalition government dominated by the Independence Party, and the Social Democrats were challenging that coalition. There was a lot of politics at the county level, and I was following the ins and outs, but behind all that was this question of whether or not we would be permitted to open up an air base there. That was negotiated during my tour.

Q: This was the Keflavik air base?

OLMSTED: Yes.

Q: We were talking before about the attitude towards the Soviet Union. I take it this need for the air base was directly related to...

OLMSTED: Yes, it was.

Q: How did that translate to the Icelandic community which has always tried to remain as neutral as possible?

OLMSTED: Well, there was a good deal of very genuine feeling in opposition to having an American dominated air base there. Not necessarily because they disliked Americans, but there are all kinds of practical considerations; having all these young men running around, and dating Icelandic girls, and perhaps marrying them. I remember one Icelandic mother said to me, “I don't want my daughter going out with an American, even if he is a nice boy, even if he would be a good husband for her, because,” she said, “my daughter will follow him back to the United States and I may almost never see her again, and I don't want that.”

Also, there was the concern over the introduction of American chewing gum, and all the other facets of our culture that they rather deplored.

Q: Did you find that Icelanders have a different view of the Soviets than we did? Because we were just moving into the Cold War at this time. Things had happened in Czechoslovakia, and the Korean War had started. Did they look at things through a different prism?

OLMSTED: Yes. It was a prism that was in many ways clouded by their own reluctance to get drawn into the larger picture. They saw themselves as an island which they very much wanted to be isolated from a lot of the rest of the world. They liked the way things were in Iceland, and they really didn't want to get very much involved, particularly in this bipolar world in which they thought they could only lose.

Q: As a political reporter, how did you deal with Icelandic officials? Did you find they were stand-offish as far as talking to an American on political matters?

OLMSTED: No, they weren't. Generally speaking I didn't have trouble in making contacts with them, and sitting down and talking to them about various issues. They were willing enough to express their views on the situation.

Q: Our ambassador at that point was Edward B. Lawson?

OLMSTED: First it was Richard P. Butrick, and then he left and Edward B. Lawson came in. He was extremely hard of hearing. He wore a hearing aid but the hearing aids weren't as good in those days as they are now, and this tended to affect his relations with the Icelandic government.

Q: Did you get involved in the Keflavik negotiations?

OLMSTED: No. Ambassador Lawson—Minister Lawson—kept that entirely to himself. He didn't involve the staff in any way in that. He turned the running of the embassy over to the DCM, and devoted almost full time. However, I did some reporting that led up to it. I remember one ambitious report that I wrote which was detailing the attitudes of the various political parties towards a new agreement, and I talked to a number of important people, and quoted from things they had said, and written, about the matter. I understand the report was very useful in Washington.

Q: They had a fairly strong Communist Party, didn't they?

OLMSTED: Yes.

Q: There are Communist Parties, and Communist Parties. How would you characterize the Icelandic Communist Party at the time you were dealing with them?

OLMSTED: I think I would say that it was a two-headed party, one group being very hard line, and one group being somewhat more moderate. I was able to talk to the people in the

more moderate wing. I could go down and have tea with them once in a while, and find out what was on their minds. But for the other side, I don't think I ever even tried it.

Q: Was the Soviet Union sort of pulling the strings there, did you feel?

OLMSTED: Well, to a certain extent. I think probably the Icelanders—even the Communist Icelanders—were displaying some independence toward them. I wouldn't say that the party was completely in the hands of the Soviet Union. And I'm not sure the Soviet Union was so interested that it tried to dominate it completely. But certainly the Soviets made some real efforts in the cultural field. They sent some very impressive musicians, Khachaturian came and give a piano concert for us, and there were other musicians—I can't remember their names now—but there was quite an intensive effort on the part of the Soviets at the cultural level. I think it was more evident there than perhaps in other places.

Q: I'm not sure about the names of the parties, but the equivalent to the socialist party...

OLMSTED: Social Democrats.

Q: How did they fit in on things?

OLMSTED: We tried to keep them on our side, as you can imagine. There were some Social Democrats who were on the left side, and were flirting with the Communists; whereas others were middle- of-the-road, or even rather conservative Social Democrats. Some in the university I knew particularly who were certainly not extreme leftist at all.

Q: Where were the Allies of the Americans coming in? Were there any groups that really felt it was important, or was everybody reluctant about this?

OLMSTED: The Independence Party was more inclined to welcome the Americans than any other group. The others ranged from neutral to being somewhat opposed on the whole. There was also a Progressive Party there which was largely agricultural, and it did

a certain amount of shilly-shallying back and forth, but it was not as interested in the air base question as some of the other parties.

Q: To refresh my history, when did Iceland become independent?

OLMSTED: Independence was proclaimed in 1944.

Q: We sent our troops there, of course, really before we got into the war, didn't we?

OLMSTED: Yes.

Q: 1940 or '41. Did the Danes play any role in the politics?Were there still strong ties there?

OLMSTED: There were both animosities and ties. There were people who felt the Danes should keep at arms length, and other people, who had been educated in Denmark and who had good friends among the Danes, who felt differently.

Q: So there wasn't a Danish card where our embassy in Copenhagen could use its influence to get the Danes to use their influence?

OLMSTED: I doubt that very much. I've never heard it discussed one way or the other, and I can't remember that we were in contact with our embassy in Copenhagen on any issue.

Q: Did you get any contact with the American military that they were briefing people who were coming in and looking at the base. Of course, the base was already there, wasn't it? It was a major wartime...

OLMSTED: Yes, and it had been a civilian air base following that.

Q: Did you get involved with the American military at all?

OLMSTED: Yes, I did somewhat. I was one of their principal contacts in the embassy because of the political work that I was doing. They would come and talk to me about various matters. I can remember one little incident. I was taking a trip around Iceland in a coastal vessel, and on the north coast I got off the boat and was wandering around town, and I saw a Soviet fishing boat at anchor there. I knew that there had been some concern about those fishing boats as to what they were doing, why they were coming in to shore, were they unloading munitions, and so on. I had a camera, a little 8-millimeter movie camera, and I took some pictures of it, and one of the officers of the Soviet vessel tried to walk me down. But I just let him go by and I took my pictures, and when I got back I told the ambassador about it, and he said, “Oh, the military people have been looking for that vessel.” So he got on the phone and called up the commanding officer and told him that I had seen it up there a few days earlier and had taken some pictures of it. The military were exercised about that, and the ambassador thought it was a great intelligence coup that we had put over on the military people. There was a little bit of friction. It's inevitable.

Q: Was the base agreement settled by the time you left?

OLMSTED: Yes, it was.

Q: How did this play, as it was developing? Was this causing rifts within the Icelandic community?

OLMSTED: It was certainly not a cementing factor. There were Icelanders who were deeply concerned about the impact of this. Iceland, after all, was a country of, I think, 100,000 people then and it doesn't take a very large military contingent to make a real impact on the country.

Q: Having been on both sides, including in the military, an enlisted man in the air force, part of this period I know what we did. How about fish? Did fishing rights cause a problem in those days?

OLMSTED: That was largely a British problem. We weren't very much involved in it. We watched from a distance. The British had what they called the Fisheries Flotilla, which was I guess an arm of the navy. They sent frequent vessels up to Iceland to protect their fishing vessels in case the Icelanders tried to take action against them. Of course, the Icelanders didn't have a navy, or an army as far as that goes. I don't think the Icelanders ever took action but the British wanted to protect what they saw as their rights. They came into Reykjavik regularly, gave very nice cocktail parties which they invited all the Americans to, and we enjoyed very much.

Q: You left Iceland and went in 1951 to Vienna until '55.

OLMSTED: Yes.

Q: If you had to be in Austria at any time, from a Foreign Service point of view, this must have been a very exciting time.

OLMSTED: Oh yes, it was. The Cold War was very cold indeed during those days.

Q: It was focused around there.

OLMSTED: Yes, it was. We were very much on the firing line.

Q: What were you doing there?

OLMSTED: I was sent there to go into the commercial section. The Department of Commerce was considerably dismayed that the standard reporting that goes into Commerce, trade lists, trade opportunities, various forms that had to be filled out—WTDRs—had been quite neglected. And when I got there they put me to work cleaning up a backlog of nearly two years duration, and it was pretty dull work, I can tell you. As soon as I would finish one bunch of things, I would sigh, and think, “Now I can turn to something interesting,” only to have someone open another drawer, and say, “And here we have....”

Q: Could you explain what a WTDR is?

OLMSTED: World Trade Directory Report.

Q: Could you explain for somebody, what did this type of work consist of?

OLMSTED: A World Trade Directory Report is prepared on an individual firm, and it gives basic information about the size of the firm, and the name and address, and the names of the leading figures in it, and what it produces, and in what quantities to the extent that it can be quantified. Its the basic information information that a potential exporter...

Q: ...a banking report.

OLMSTED: Yes. That's right, the banking reports, and its credit rating, and basic things like that. These are on file in the Department of Commerce so if an American exporter, or importer, wants some information about a particular firm he can look for it there.

Q: As you say, its not the most exciting work.

OLMSTED: No, it's certainly not. A lot of the work is done by local employees, but it has to be reviewed, and somebody has to sit down and review these things, and sign them, and send them in. And the trade lists were lists of firms in a particular line of work giving their name, address, and just brief information about it. And there are trade opportunities as well, that was another form that provided a little information about possibilities for buying or selling a particular item, or a particular commodity.

Q: How did you find the trade situation, the commercial situation in Austria while you were there?

OLMSTED: Most of this work that I did was all internal work. I was not out very much talking to people about it. The trade situation was affected by the general malaise that still covered the country under Soviet occupation, the military very much in evidence. People

being too afraid of the future to want to paint their houses and refurbish things, and wear their best clothes, or anything like that. Sort of a depressing atmosphere.

Q: The country was divided into zones?

OLMSTED: Yes.

Q: You were essentially looking at what private enterprise was doing. Did you find there was a different type of economy developing in the Soviet zone, than in the British, or American, or French zones?

OLMSTED: My impression was that the economic development in the Soviet zone was very, very much slower than it was elsewhere.

Q: I would imagine there that the Soviet Union was determined. It was really so different, you might say, from the normal.

OLMSTED: The Soviet Union was, I think, financing certain types of firms in the Soviet zone, and was tying them economically to the Soviet Bloc economy to the extent that they could. This was something that was being followed particularly by our intelligence people.

Q: Did you get out from under the trade reports and be able to observe the Austrian scene as a whole later on?

OLMSTED: Well, I moved into a very interesting job in another part of the economic section. The economic section was very large, but another part of it was being expanded to deal with problems concerning Austria's economic relations with the Soviet Bloc. A couple of the people in that section were working on such matters as permits to export things to the Soviet Bloc. I was not involved in that work but I was following the broader economic picture. I was following the trade agreements that Austria was signing with the Soviet Bloc countries, analyzing them, each one as it came along. I was following the questions of trade and economic penetration. It was a very interesting job. I depended

quite heavily on the CIA for information, but in addition to that I was talking to people as well. And we had quite a bit of statistical information which I analyzed.

Q: Was there concern about trade penetration because this had a Soviet intelligence component, or was it just that we wanted to keep the Soviets from getting involved in trade in the West?

OLMSTED: We were concerned that the Soviets would try, and perhaps succeed, in establishing domination over the Austrian economy through these trade agreements, and through these special arrangements that were made in bolstering certain types of firms. That was the main concern. There were intelligence concerns as well but this is what people were really focusing on.

Q: What section, sort of economic and political aspect, did the Soviets have?

OLMSTED: I'm sorry I don't understand.

Q: The Soviet zone, was it mainly the industrial part of Austria farming, and where did it fit in the Austrian economy?

OLMSTED: The Soviet zone was in the eastern part of the country which encompassed Vienna which of course contained a good deal of the heavy industrial production of the country. And then outside of Vienna, further to the east, it was largely farming.

Q: At that time were you watching union developments in the Soviet zone? Were they pretty well taking over the industrial workers?

OLMSTED: We had a labor attach and he and his assistant were following that part of it, and I was only rather incidentally interested in that. The embassy was extremely large, and it had its finger in almost every aspect of the Austrian pie that you could imagine. We had a big USIS operation there. We had our own radio station and our own daily newspaper.

We were the important element there except for the Russians. The French and the British didn't play a very large role.

Q: When you arrived there, did a peace treaty of a particular kind that would turn Austria into a relatively neutral country, seem at all in the cards?

OLMSTED: No, no. It looked as though it were a long, long way down the road. Nobody was talking about a peace treaty when I went there. I remember the night I arrived, I went into the Hotel Bristol where I was supposed to stay. I was met at the door by an American army infantryman who put up his rifle, and told me I couldn't enter without proper credentials, and it took quite a bit of argument before I set my foot in the American hotel there. There was a very, very strong military atmosphere around the place at that time.

Q: In your work did you run across spies...I mean were you warned in having problems with the Soviets as far as compromising or following you, or anything like this? Was it a difficult place to work in because of that sort of thing?

OLMSTED: Every now and then I would get very uneasy about things. I often worked after hours. My office was facing the street, I think I was on the third floor, and I can remember my phone would ring when I was working late and I might be the only person in that whole area of the building...my phone would ring, and when I would pick it up there was nobody at the other end. That always gave me a creepy feeling. And I usually left right then, I just felt I didn't want to stay around any longer. Once I was driving down to cover the industry's fair in Graz, which is in southern Austria, and I had a grey pass which entitled me to go through the Soviet zone in order to get to Graz. I was supposed to stay on the main road, and I got off the road—I made a wrong turn someplace. And I tell you, I was just shaking when I got back on the road. I was by myself and by the time I found where I was supposed to be, and got back on the road, I was shaking.

Q: What about the Austrians? What sort of contacts did you have with them, and how did they feel about the situation?

OLMSTED: I didn't have a great deal of contact with the Austrians. That was a job that kept me in the embassy to a very large extent. I knew some of them socially, but I think I probably had fewer dealings with the local population in Austria than I had in any other post that I served in. Of course, the Austrians were cold and hungry, and depressed, and uncertain, and all the rest of it, and even though they liked us better than they liked the Soviets, they weren't all that happy with us either.

Q: During the time you were there Llewellyn Thompson was the ambassador.

OLMSTED: Yes, he was. He succeeded Walter Donnelly who was ambassador when I arrived there.

Q: Although obviously it was a big embassy, and you were somewhat removed, how did people regard him as an ambassador? How did he operate?

OLMSTED: The economic section was in a separate building several blocks away from the main building until the time I left, and we saw very little of Llewellyn Thompson. He was considered, I think, by the economic section to be a rather aloof figure, who just didn't play much of a role in what we were doing. He seemed very much interested in the political side of things, and not so much interested in the economic side. The major figure was the economic counselor. Also, the DCM. Walter Dowling was the DCM. I gathered that he held things very tightly in his own hand, and I know the political officers were quite resentful that he did not want them going down to the Foreign Office, he did not want them going to members of Parliament or other politicians to talk. I know the political officers felt that what they were doing was pretty routine work, and not of very much interest to anybody.

When Charles Yost came as DCM, I think he handled things somewhat differently. A very different personality. For one thing he came over to our building and talked to

the economic section once in a while and we were amazed by that. I remember the first Christmas he was there, he went through the building to wish everybody a Merry Christmas. And it was the habit there for small subsections to have a little Christmas party, with spirits, of course, and at one party they would be having Manhattans, and the next one it would be cognac, and the next one wine, and so on. As Charles Yost went through everyone insisted he have a drink. And as I understand it by the time he finished this he could hardly stand up. And the next year the word went out, nothing stronger than wine was to be served at the Christmas parties.

Q: Who was your economic counselor?

OLMSTED: First it was Ben Thibodeaux. He was succeeded by Woodbury Willoughby—we called him Woody.

Q: How did you find these men handled the section? Did you feel part of the group, or did they take over most of the fun work?

OLMSTED: No, I didn't find that that was true. Ben Thibodeaux had a manner about him that put a lot of people off. Withdrawn isn't really the right word, but he just kept himself at a level higher than anyone else. I remember some of the men resented the fact that while he called them by their first names, he obviously expected them to call him Mr. Thibodeaux. It didn't bother me at all, but I know some of them resented it. Woody Willoughby was a much less formal person, and easier to get along with. I was not involved in the inner embassy feuding, but I gather there was quite a bit. People were jockeying for position all the time, and there was a lot of animosity and antagonism at higher levels. I've never enjoyed that sort of thing, and I didn't have to get involved in it, and I didn't.

Q: That's a nice thing about a large embassy, you can just duck it, and watch from the sidelines. The peace treaty came while you were there?

OLMSTED: Toward the end, and I give Llewellyn Thompson very high marks. Chip Bohlen was in Moscow, and he didn't see it coming but Llewellyn Thompson did. The Soviets made some statements about the future of Austria and Llewellyn Thompson said, “I think they mean it this time. I think we can move.” And he was the one who carried the ball. He led our negotiating team, and I think he did a brilliant job on it.

Q: Again, you had a specific viewpoint looking at the economy. Did you find the Austrian business enterprises were beginning to respond as this thing went?

OLMSTED: Something happened before that. In '52 the stabilization program was enacted. Dean Acheson, then the Secretary of State, and his wife paid an official visit to Austria. That was while Walter Donnelly was still the ambassador. Secretary Acheson held talks with the government of Austria and he made it clear at that time that the United States was going to stay in Austria, and was going to support the Austrians in every way that we could. A stabilization program was announced, I guess it was a little after that, in which the shilling was devalued but was backed by American loans. That was what put the economy on a firm footing. There were these two things: the renewal of confidence that came, stemming out of Acheson's visit, and what he said to the Austrian government, and the stabilization program. That was when the black market started to die out, and when prices went up but then they stabilized.

Q: A black market is always a sign that there's disarray in the economy.

OLMSTED: Yes.

Q: Had there been this problem in Austria as there had been in Germany until '48 until the currency reform there, which really caused a lot of problems with the Soviets. But the restoration of Germany, at least West Germany, to a solid economy, had there been the same problem in Austria as far as the currency with the shilling?

OLMSTED: The shilling was very weak up until the stabilization program came. I can't quote you any figures at this time, but the black market rate was just far different from the official rate. Cigarettes were traded very widely, and things like that.

Q: I was in Korea as an enlisted man, and I remember I stopped smoking because cigarettes were too valuable as a commodity. Was it sort of a cigarette economy in a way?

OLMSTED: Well, I didn't play the cigarette economy. I think there were people who did, but I didn't.

Q: You left when in '55?

OLMSTED: I left just after the state treaty was signed, and came back to this country.

Q: That was a very good time. It must have been a joyous occasion, wasn't it?

OLMSTED: Yes, it was. One had the sense of a job completed, and that's always a good feeling.

Q: Why don't we stop here, and pick it up later?

OLMSTED: Yes, I think that's a good idea.

Q: Today is May 11, 1992. This is another interview with Ambassador Mary Olmsted.Well, you'd left Vienna in 1955, and then gone to the Fletcher School for a year.

OLMSTED: Yes.

Q: What were you doing there?

OLMSTED: I was studying Political Science.

Q: How did you find it?

OLMSTED: I found it very interesting. In many ways I found it hard to go back to school after all those years out. It was a real adjustment for me trying to get into the swing of things. But I think my year at Fletcher was important mainly because it shifted my aspirations, and my interests, from a career point of view, from Europe to the Third World. I had up until that time always considered myself as a European specialist. But some of the courses I took about the Third World opened my eyes, particularly Asia. And from that time on my goals were set in Asia.

Q: You went from the Fletcher School where? To the Department of Commerce?

OLMSTED: No, the Department of State, and then Commerce.

Q: What were you doing? You went in '56 to the Department of State?

OLMSTED: Yes.

Q: What were you doing there?

OLMSTED: I was assigned to INR, the Bureau of Intelligence and Research, to work on sessions of East-West trade, which in a general way was what I had been doing in Vienna. To me it seemed like a step backwards, and I was very reluctant to accept the assignment, and made great efforts to get it changed. Which eventually I did, I was moved over to Commerce where I worked again on German and Austrian affairs, and once again it was not in my goal objectives. Then when the opportunity came for me for me to go back to the Department of State to work on Indonesian affairs, I snatched at it very quickly...

Q: In the Department of State?

OLMSTED: Yes, in the Bureau of Far Eastern Affairs, as it was then called.

Q: How long did you work on Indonesian affairs?

OLMSTED: Two years.

Q: From '58 to '60?

OLMSTED: Yes, that was about it.

Q: What were our interests from your perspective in economic affairs with Indonesia?

OLMSTED: Oil, of course, was one of the major interests. And we had some other interests there as well, but at the time I went into Indonesia affairs, U.S. policy was in great turmoil. There had been, if my memory is correct, a failed coup against Sukarno.

Q: We were somewhat implicated.

OLMSTED: We were somewhat implicated in that, and there was sort of a lull in U.S. policy. We didn't know what to do next. The man that I was working for had gotten burned, I think, a couple of times a little bit earlier in getting out ahead of the policy, and he was bound and determined it was not going to happen again. Consequently he didn't want to do anything without getting three approvals from higher levels. I, myself, not having been burned, was quite willing to move out, and there was always a little tension between us on that.

Q: When you're talking about moving out, what would be the difference between somebody being very careful, and somebody being ahead of the pack, in sort of a concrete example?

OLMSTED: Well, it was mainly on AID policy, whether we were going to move ahead with certain AID projects, or not.

Q: Was Howard Jones ambassador at that time?

OLMSTED: Yes.

Q: He, of course, had come from the AID field, and was renowned until he left about two years later around 1962, I guess, for his pro-Indonesian, and willingness to accept all the slings and arrows that Sukarno would throw at the United States. Did you feel this where you were at this time?

OLMSTED: I was certainly aware of it, there's no doubt about it. However, just a lot of Jones' impassioned messages back to the Department were filed and forgotten. It was question, to a certain degree, as to whether somebody would do something about the things that Jones was asking for, or whether they would just set them aside. I myself was willing to support him, and, as I say that officer I was working for was not.

Q: Just to get a little feel for this, could you say the rationale for one supporting, one for not supporting, Jones' thing. I mean, here's Sukarno was one of the leaders, along with Nehru and Tito, in the non-aligned movement, which were spending a lot time sticking pins, or rather large daggers, into the United States at the time. So what was our interest in helping the Indonesian economy at that time?

OLMSTED: I think it was a long-range interest. We didn't want to turn Indonesia permanently away from us, which was a possibility if we'd simply ignored all the things that it wanted. And there was genuine hardship there. They needed food, they needed this, and they needed that, and if we turned a cold shoulder to all this, certainly the possibility existed that it would be extremely hard for us to reenter the area of influence after Sukarno had gone.

Q: Were there debates within the Department, and particularly your bureau, on this thing? Either we stick it to Sukarno, or we try to keep our hand in.

OLMSTED: I think a lot of those debates had gone on before I entered the bureau, and they were somewhat muted at the time I was there. Over a period of time I could pretty well figure out who was taking which position. But people tended, at the time I was there,

not to discuss it very openly. Those who wanted to do things for Indonesia, like me, tended to go around the edges rather than face confrontations. Walter S. Robinson was the Assistant Secretary in Far Eastern Affairs at that time, and people were rather careful how they affronted him.

Q: He was a very powerful figure, and a very conservative figure.

OLMSTED: Yes, he was.

Q: Were you getting the feeling that he thought that Sukarno was, if not a communist, a crypto-communist?

OLMSTED: Yes.

Q: Walter Robinson came from very much that side. He was brought in to sort of clean out the communist sympathizers, as I think he saw it.

OLMSTED: Yes.

Q: And you felt this?

OLMSTED: Yes. People were careful.

Q: You were doing this until about 1960, and then where did you go?

OLMSTED: Then I was assigned to New Delhi.

Q: You were there for five years, weren't you?

OLMSTED: Four and a half years, yes.

Q: What were you doing?

OLMSTED: I was in the economic section, and I did a variety of different things there. New Delhi was a very large post at that time, and I found that it was the custom there to shift responsibilities within the economic section rather frequently. And people when they entered started doing the grubby work, and eventually moved up to doing more interesting, more important, work. I understood the rationale for it. It was my own feeling after I'd been there a relatively short time, that anyone who tried to make any pronouncements about India was either repeating something that had become an absolute cliche, or was probably wrong. It was extremely difficult to get a grasp of the country.

I had been serving in Vienna, and as I mentioned before, Vienna also was a very large post. There were some interesting differences between them. In Vienna the embassy was very much compartmentalized. I didn't know very much what was going on in other parts, even of the economic section. But in New Delhi I did almost all kinds of economic work, and I was in close contact with the people in the political section, and the people in AID, and I had a much broader view of things than I ever managed to get in Vienna.

Q: What was the situation in India in the four and a half years you were there, '60-'65 approximately? I mean the political situation at that time?

OLMSTED: Nehru was still the Prime Minister, and he was, of course, the person. He had his opponents, and there were people who had influence on him, but yet he was the man of tremendous importance in the country, and he died when I was there. India was such a large country that, as I said before, it was very hard to get a feeling for what was going on. I think that made a difference in my own approach to my work. I was far more willing than I had been in some other posts to do a lot of different things because I thought it was going to be necessary before I ever came to have any real feeling for what India was like.

Q: Just to get a feeling, what types of things were you dealing with?

OLMSTED: In my work?

Q: Yes.

OLMSTED: I was initially doing rather small things, small segmented things. It was only later that I began feeling that I was able, and that the embassy was willing to have me try to pool them all together, and look at what was going on in India broadly. And that was the transition in my work, going from the particular to the general.

Q: In India, as an economist, you had to deal with both the Indian bureaucracy, and Indian statistics. How did you find these?

OLMSTED: Well, of course, a little bit difficult. I spent a good deal of time working on the Five Year Plan, and trying to measure what was happening against what their hopes were for the Third Five Year Plan. The statistics were obviously very imperfect. On the other hand, what do you do? Do you just throw them out the window and forget about them. Some of the reporting that I did, and others did, I think was impressionistic, rather than statistically based. But you've got to have some statistics to peg things on even though you realized what their flaws are. I worked mainly with the people in the planning commission, which was composed of professionally competent officers to a large extent. They were intelligent people who were willing to talk about various aspects. They were defensive sometimes, but I didn't find that they were obstructionists.

CIA used to claim that it could get any document in India, “Just ask for it, we'll get it for you.” So I put this to the test once and I've forgotten now what the document was, and they provided it for me the day before it was released publicly, which was not what I would consider a major achievement. CIA was very, very active there. I know Ambassador Bowles, for example, had some real reservations about their activities, feeling they were adding to the corruption of the country.

Q: What was the impression that you got at your level from India? Was India a potential enemy, a potential friend, or just a big mass of problems out there? Or what?

OLMSTED: Well, India was a big mass of problems out there. There was no question about that. As Galbraith sometimes said, there was a thin layer of planning on top of the largest operating chaos in the world. There was truth in that. I thought potentially, yes, India could be our friends. Certainly there were people in the government who were anti-American, and there was a left wing which was the Communist Party. And I think that the Hindu culture created certain types of personalities which made people very resentful of the American presence. I sometimes felt that what some of our people were doing tended to turn India away from us quite unnecessarily.

Q: What type of thing would this be?

OLMSTED: Well, trying to tell Indians how to run their business. Now, a certain amount of that was necessary because the Indians did not always make the best decisions. On the other hand, such things as the Kashmiri problem were very, very touchy. I saw two American ambassadors try to solve it to the Kashmiri problem and that was not to the benefit of our relations with India. No doubt of that.

I served for three different ambassadors there: Ellsworth Bunker, then John Kenneth Galbraith, then Chester Bowles. Three enormously different men.

Q: Could you describe your impression of what they were like, and their method of operation, and how they approached the thing from your viewpoint? First Ellsworth Bunker. He was there until '61.

OLMSTED: Yes. Our overlap consisted of only a few months. I never knew him as well as the others. He was on his way out when I arrived there and consequently neither he nor I saw this as a long- range association. So I can say probably less about him. He was the least aggressive of the three, I thought, in his relations with the Indian government. He was the least inclined to tell the Indians what to do. On the other hand, I thought he had

some tendency to sweep problems under the rug, and to tell Washington, and anybody who wanted to listen to him, that all was rosy. And it was less than rosy.

Then when Galbraith came in...

Q: In '61.

OLMSTED: ...in '61, the spring of '61—late spring. He was a man of great intellectual arrogance, who was quite willing to tell anyone and everyone how to do their business. He had very little interest in, or sympathy for, the embassy staff and he fired a number of people and brought in his own people. There was a morale problem in the embassy. No doubt about that. The staff meetings were indicative of that. He'd look around the room and his eyes would fall on somebody, and everybody would stiffen. We would wonder what's going to happen to that poor devil. It was sort of a Mogul court atmosphere. Some people cottoning up to him, and others just trying to stay out of his way.

He gave a series of speeches there which I thought were good in that he could say some things in a very polished speech that perhaps would be better accepted than sitting in a minister's office telling him something. And he was respected for being an intellectual, and for having a worldwide reputation as an economist. Those things were for the good. On the other hand, he really got himself a little bit too enmeshed in some things. When the Chinese incursion on the northern border took place, Galbraith jumped in with both feet, with great enthusiasm. He got the American military there. I, myself, always had some reservations that those incursions were all that serious, although any country gets a little nervous when its borders are invaded. Perhaps it did bring India somewhat closer to the United States in that we were portraying ourselves as the great protectors of India's borders. On the other hand, I don't think it was really very long lasting.

Q: It didn't appear to be. Here you had a man who I think...didn't he win the Nobel Prize in economics, or something later on? And here you are an economic officer. How did he impact on the economic section?

OLMSTED: Well, to a considerable extent he ignored it. He got some of his own people in although Bowles was much more effective than Galbraith in getting his own choices into various jobs. I remember writing a rather broad report on how India was getting along, assessing the economic, and to a certain extent the political situation. I finished it and sent it into the Economic Counselor who would ordinarily sign it. Then I didn't hear anything about it, a copy didn't come back that it has been signed. I didn't know what had happened. I think I went on leave, and when I came back I was very surprised to discover that it had returned to my desk with a little note from Galbraith on it. The note said something to the effect, “You're a little more pessimistic than I would be, but this is a good report and it will be useful.” And I said to the Economic Counselor, “That's not exactly wild praise, is it?” He said, “Well, you ought to see some of the notes that come back here. You can be very, very pleased with that note.” I didn't see what he sent back to other people, but I can believe that he felt nothing but contempt for the Economic Counselor. And I think the Economic Counselor had a very hard job there.

Q: Who was the Economic Counselor?

OLMSTED: Rufus Burr Smith.

Q: It must have been a very uncomfortable situation.

OLMSTED: Yes, and Galbraith had a very sharp tongue.

Q: What was your feeling about his estimation of India? Sometimes you get an ambassador who comes in, particularly from outside, a political ambassador, and particularly one with a big ego, who arrives, and particularly in a large country like India, and sees this as sort of the center of the universe. Whereas, as a very practical measure

looking over the last 40 years, India has played a very small role. We've always made due obeisance to the...India being a major democracy, but it hasn't been much of a factor in whatever we're interested in.

OLMSTED: We used to refer to this attitude of politically appointed ambassadors as localitis, an expression I'm sure you've heard. We used to say that Galbraith had galloping localitis. He felt quite free in telling ambassadors all over the world how to run their business. He was quite disdainful of Dean Rusk, the then Secretary of State, and thought the President himself should be reading all of his messages.

Q: Galbraith came from Harvard, and the President had been a student of his.

OLMSTED: And he'd worked on the campaign for Kennedy. So he was very happy to send hot messages about such things as India's takeover of Goa...

Q: Which had been a Portuguese territory.

OLMSTED: Galbraith was very sympathetic towards the Indians about the takeover and sent off some hot messages to Burke Elbrick, who was then the ambassador to Portugal. Elbrick maintained in his cables that good relations with Portugal were necessary because of the importance of the Azores. Galbraith responded that the Azores were just a few acres of asphalt in the Atlantic Ocean, and why should we be bothered with them. So Galbraith earned himself quite a reputation.

Q: He was also, by doing that...the takeover of Goa was not that popular. Because it was a takeover by basically overpowering military force, rather than any referendum or anything like that.

OLMSTED: Yes.

Q: When Galbraith left, did he leave any lasting monument? Or was this just a big storm that blew through, and then moved on?

OLMSTED: As far as I could see it was a big storm that blew through, and then moved on. I think he may have made the Indians do a little more thinking about some of their economic decisions. But how much he really influenced them, I really couldn't say. And I don't think he influenced them, I think he antagonized them on the Kashmiri question. And I don't think he got very many brownie points for what he did, either his attitude towards the take-over of Goa, or the incursions on the northern border.

Q: You had some reservations about the seriousness of this incursion of this so-called Indochina war, which really was fought very high in the Himalayas over a small bit of unpopulated areas. Did the embassy get very involved in our support of the Indians?

OLMSTED: Oh, yes, very much so. We had no advance information about it, of course, and the Indians did not tell us immediately. The incursions took place—if my memory is correct—on a Saturday afternoon or evening. And it wasn't until the following day that somebody in the Embassy picked it up from the radio. Our contacts in the Indian Government were not so good that they immediately informed us.

Q: What about the Soviets? What was our feeling towards the Soviets at that time? Were they courting the Indians?

OLMSTED: Yes, they were. I think not as much as they may have subsequently, but they had some very large aid projects. They had an aid mission, and a large embassy there. We saw very little of them socially, or otherwise. The Cold War was very much in evidence. I once visited the Soviet-built steel plant in Bhilai in central India. The Indian staff was obviously very much taken aback by this request for an American embassy official to visit, and they didn't quite know what to do with me when I got there but they did take me around, and I went through the entire plant. And I agreed with the comment that I had

heard before I went there, that it was a steel plant built by peasants for peasants to run. It was not a sophisticated operation at all. But I also thought perhaps it was the right level for the Indians to handle, and they didn't have the trouble with it that they had with some of the more advanced steel plants that other countries had built there.

They wanted us to build another steel plant for them to be located in Bokaro. Galbraith pushed very hard to get U.S. financing for it. He pushed too hard. In fact, he got out in front of Congress and everybody else. Congress retaliated by putting a rider on a bill which effectively prevented U.S. financing. Galbraith practically promised that the United States would finance it when Congress pulled the rug out from under his feet. And then in what was a very graceful gesture, the Indian parliament withdrew its request for the financing, and Galbraith got off the hook that way. But it was a humiliating defeat for him although I don't think it bothered him very much.

Q: Did he go back and try to lobby Congress, as often ambassadors do?

OLMSTED: It's a long way to go, and I don't remember that he went back as frequently as an ambassador in Europe might go. But certainly he lobbied at long distance, and he did make some trips to Washington for lobbying. Galbraith is no politician, a brilliant man, but he rubbed a lot of people the wrong way.

Q: Did he use the embassy staff particularly?

OLMSTED: Not very much. He tended to do things himself, or maybe a few of his own close associates, but he really didn't have very many close associates. Not like Bowles.

Q: It was a court, but it was a court with one king and not...

OLMSTED: That's right. He had a DCM, B.E.L. Timmons, who was widely disliked, even detested. Timmons was a bright enough man, but I thought of very little imagination. His idea of the way to run an embassy was to see to it that press summaries were quickly

prepared and transmitted to Washington. And he didn't seem to care very much about commentary, or about analysis, or about things like that. He would have had a fit over this press summary if it had been done incorrectly. He was a great man for detail.

Q: ...whether you used a hyphen with cross-section, or whether it's two words. That type of thing.

OLMSTED: Yes. He was a great man for the typographical errors, and a great man on detail. But the big picture, he didn't see.

Q: What was your impression of the economic, and also political reporting of the embassy? Were you able to get out and talk to people, or did it get translated very well if they did get out and talk to people?

OLMSTED: I think there was an effort made to get out and talk to people. I did a lot of traveling. I visited almost every part of India. My goal was to spend one week a month out of New Delhi but I never quite achieved that goal. But I saw it was just disastrous getting involved in the diplomatic cocktail circuit, and spending so much time in Delhi talking cocktail chit-chat with the same people. So I made a determined effort to get out and visit different parts, and go to villages and talk to villagers, and try to keep the bureaucracy at arm's length to the extent possible. When someone from the American embassy went out to a rural area, it was very likely that the district commissioner would get a whole train of jeeps and would want to parade the Embassy official around to various villages. I tried to get away from that, not always successfully.

Q: Galbraith left in '63. How was this viewed by the embassy?

OLMSTED: With relief. Most of us were saying, “Well, we survived.” That was the test, whether you survived Galbraith, or not.

Q: Then Chester Bowles came.

OLMSTED: Yes, a very different man.

Q: How did he operate, and what was your impression?

OLMSTED: Well, of course, Bowles had a considerable advantage over Galbraith in having been an ambassador before, and having been an ambassador to India before. Therefore, he knew a lot of things that Galbraith learned only slowly. However, the disadvantage was that Bowles didn't know quite as much as he thought he knew. He moved into action very, very quickly, and I think probably without careful enough assessment to what had happened since he was there last. Bowles is a man of tremendous creative imagination. I have great admiration for him on that score, but he was not a terribly practical man. I always thought he would have been the ideal person to be special assistant in charge of ideas, and come up with new ideas that other people could select from. But when he did the selecting, as well as creating the ideas, we got some lulus.

Q: Can you give any examples?

OLMSTED: He is a reformer, pure and simple, and he wanted to reform the Indian government in all manner of ways. His technique...not to answer your question immediately...his technique was to call in two or three or maybe four different staff members individually, and give each one of them the same project with the idea that he would see which one was best. He would call the person in maybe Thursday afternoon, or maybe Friday morning, and say he wanted a paper written on this or that, and then he would say, “No hurry about it, just let me have it Monday morning, 10:00.” Well, there went another weekend down the drain. We caught on to what he was doing, and at the inevitable cocktail party we'd get together and figure out that we all had the same task. We would divide it up instead of each of us doing it all. That simplified things a little bit, but not a lot.

Galbraith, for example, wanted one of these weekend studies to be made of the...

Q: You mean Bowles.

OLMSTED: Oh, excuse me, Bowles. ...of the restricting impact of all the rules and regulations of the Indian government. India is a bureaucracy among bureaucracies, and there were vast numbers of rules and regulations, but for an outsider to try and go in there and evaluate all those rules and regulations in a short period of time, of course, was sheer nonsense. That was a very interesting idea, and one that had great merit, but it would take months and months of study by a task force to do it. It's nothing you're going to whip up over a weekend.

Another, when he was trying to solve the problems between India and Pakistan, he instructed me, and I'm sure a couple of other people, to write a paper on what kinds of economic cooperation there could be between India and Pakistan which would be to the advantage of both countries, which would put an end to some of the problems, or at least nearly erase some of the problems that both of them faced. Well, that's a very interesting project, and if you set aside the impracticality of it, and just think about what could be done, you can have a lot of fun. Well, I eventually got to the point where I just had a lot of fun with his ideas, and realized that they were going to fall on the floor off the drawing board someplace at a more senior level than mine. But I wrote, with the help of some other people, quite a long paper about possible economic cooperation between India and Pakistan. There were really a lot of things they could be doing. It was fun to work on. As I said before, I had high regard for Bowles' intellectual capacities, but when it came down to practicalities something was a little lacking.

Q: At least it sounds like he kept the intellectual juices of the embassy running.

OLMSTED: Yes, he did, very much so. And he brought in a lot of outsiders, and he made a lot of staff changes. In fact, all the senior positions, I think, were changed to bring in people that he wanted, and we had some interesting people there.

Q: Any ones that stand out?

OLMSTED: Well now, let me see. There was one man he brought in, A.A. Jordan, from West Point. He was brought in as a special assistant and he was very good. He brought in John Lewis from Princeton to head the AID mission. I think Lewis was very good although I think he eventually became very discouraged. He had written that book, Quiet Crisis in India that caught Bowles' attention, and that's why he got the job I'm sure. I think he found that things on the ground were a little different from the way they looked in the groves of academia. And there was someone in USIS, whose name had slipped my memory, a man of very broad capacities. And he brought in Jerry Green as DCM, who was a great relief after Lane Timmons. There were others but I can't remember them all now.

Q: How did he deal with the Indian government?

OLMSTED: He was always talking to the Indian government. I think that he drove the Indian government up the wall with his incessant advice.

Q: Did you find there was much American business interest in India? What was your impression?

OLMSTED: There was some. American business saw these 500 million people, and thought, “what a potential market” if it ever really pulls itself together. And Bowles was very eager to have American private investment in India, and he pushed hard on that subject. But it was an uphill effort because of the reluctance of the American investors; and because the Indian government was not at all sure it wanted foreign capital invested by American capitalists.

Q: How about the agricultural side? Was this an area where we did seem to be making some positive accomplishments, or not?

OLMSTED: Yes, although I think probably the Ford Foundation did as much as the U.S. government. We had a large agricultural contingent in our AID mission, some members of which were better than others. AID doesn't always pick its people too carefully, and there were some that really were accomplishing very little. But the Ford Foundation had been in India for a number of years, and was working very hard, and I think probably did more than the AID mission did, although that's a matter of dispute.

Q: You were mentioning earlier about Bowles and the CIA. Did you get any feel for that relationship? The CIA's operation in India?

OLMSTED: Well, it was very large, and very invasive. The CIA was everywhere.

Q: What were they trying to do? They weren't really an enemy, or really much of a potential enemy.

OLMSTED: In part I think it's another illustration of CIA having too much money, too many people, and here was this great big country with some communist influence, and let's find out everything that's going on.

Q: Basically we're talking about pay-offs, aren't we?

OLMSTED: Yes.

Q: And again we were probably against corruption all the time?

OLMSTED: Yes, that was something that troubled Bowles, I know. But the CIA was deeply involved in the Indian Government. I can remember an incident when I was having a dinner party for people who had attended the Fletcher School of Law and Diplomacy. There were some Fletcher grads in the Indian government and there were some in the

Pakistani embassy, and a couple at our embassy. I was very much surprised when a CIA officer came into my office one day and said, “I understand you have invited,” and he mentioned the name of an Indian government official, “up to your house for a dinner.” And I thought this over. I had not discussed this party with anyone at the embassy. I had not submitted a list of invitees to anybody, there wasn't a list lying around on my desk. This was more of a private thing than an official party. I concluded that one of his informants had seen my written invitation on the desk of this man, and the word had gotten back to him that way. The reason the CIA was interested in this man was because he was in the archives, and had access to the most highly classified information in the archives. I was very taken aback.

Q: I'm sure you were. How did you find, from your aspect, the use of our consulates? I mean we had a number there, did they play a positive role in helping on economic reporting, or not? Or did you find it was better for you to go out on the spot?

OLMSTED: We had three large long-established Consulates General in India in the major cities, Bombay, Calcutta, and Madras. All three of them tended to operate as private principalities, and were occasionally reined in by the embassy. When I went traveling in India, we always told the Consulate General that I would be in thus-and-such an area, and some of them would send somebody to travel with me. Well, I liked that actually, it was very pleasant to have somebody to go around with me, and sometimes it was very helpful as well as being socially agreeable. Galbraith tended to ignore them. Bowles pulled them in a little bit more. Bowles paid a protocol visit to each one of them, and I think part of that was to impress upon them that a new ambassador had arrived, and he was looking at what they were doing. I was the control officer for his protocol visit to Bombay which explains some of my gray hair. That was a real dilly of a trip. My boss, the new economic counselor, had fought bitterly to keep me from being assigned as control officer because he thought I ought to be doing economic reporting on his staff. He did nothing to make my efforts any easier. There were the usual administrative details: getting the aircraft out of the military attach#'s office, arranging schedules, getting things set up, and working with

the Consulate General by telephone largely, and telephone connections weren't always very good. It was a great relief to me when that was over.

I, myself, sometimes tried to draw the Consulates General into the economic reporting. When we would get an assignment from the Department for a certain type of country-wide report, I would try to assign parts of it to the Consulate General. Sometimes it was more successful than others, sometimes they gave it a slap-dash treatment, and its pretty hard for the embassy to exert authority. Other times they were very pleased and interested in participating in an embassy report.

Q: You left there in 1965. What was your impression of whither India economically when you left?

OLMSTED: I think I probably felt that India would survive, but exactly how was very difficult to foresee. There is a certain strength when you get out to the rural areas. Things have been done pretty much the same way for thousands of years, and for thousands of years they're going to continue. Maybe new seeds will be introduced, and better ways of doing things, but there's a certain sense of the eternal when you get out to the Indian peasantry. But whether India would have the exact same boundaries and borders down the road would be much more difficult to foretell.

Q: When you came back you went to the Senior Seminar for a year.

OLMSTED: Yes.

Q: '65 to '66, and then you went to the Economic Bureau.

OLMSTED: No, I went to NEA to be the senior economic officer for India.

Q: What were your main interests there? What were we thinking about India in this particular time, '66 to '69?

OLMSTED: The year that I was in the Senior Seminar was a year of drought in India, and the threat of famine, and a very large PL 480 program was instituted.

Q: PL 480 being Public Law and 480 which is mainly food.

OLMSTED: Yes, provision of U.S. food for purchase by third- world countries for local currency. I came on the scene for the second year of the drought and I discovered very quickly that the bureaucracy in the State Department, and elsewhere, was getting awfully tired of hearing about starving India. It was much more difficult to carry my little tin cup around the second year than it would have been the first year, plus the fact Lyndon Johnson was then President and had been concerned that the Indians were not doing enough themselves to bring about the changes that would be necessary for them to increase their own production. He decided the year before I got there to put Orville Freeman, then the Secretary of Agriculture, in charge of the PL 480 operations, an action which cut out the State Department to a very considerable degree.

When I arrived, and we were just starting to talk about PL 480 food for the second year of the drought, I was told that Lyndon Johnson had made this specific designation, and I was to stay out of it. I looked up that designation, I got hold of the original copy, and it was very clear that this was for a limited period of time. It was not an on-going matter. I took that document around and shoved it under the noses of various people who had been telling me to stay out of it and I said, “We are not restricted by this. This is for a limited period, and that period of time has elapsed. There's no reason why the State Department can't play a major role in this.”

However, Lyndon Johnson decided that the best way to make the Indians get off the gravy train of the PL 480 food was to make the supplies very uncertain, and therefore he would permit us to negotiate only very short term agreements, one month-two months like that, and he might let time elapse from one agreement to another. I understood why he was doing it, but from the point of view of a bureaucrat who was trying to get food to

a country where there were real food shortages, it was a nightmare, just a nightmare. And the people in the Department of Agriculture were feeling very frustrated over the fact that Orville Freeman was no longer running this program, and they were not inclined to be cooperative. Some of the hardest work I ever did for the Department of State was in connection with those food agreements.

Q: Here we were pulling a certain stall, at least from the Presidential level on this, that the Indians were ducking necessary agricultural reforms, and that we had to break this tie...we had to do something about this otherwise...because they could meet their own food needs.

OLMSTED: Over the long haul, of course, they could meet their own needs. I don't think there was ever a question about that, but it was on the short term in a drought year. That was what gave us the power over the Indian government to make them make many, many changes, introducing new methods, and doing things in land reform, and all kinds of things like that.

I can understand why Johnson felt it was necessary to do that, and I think it did have some beneficial effects over the long run. But it's a painful thing to watch at very close hand.

Q: What was your impression of the staff at the Department of Agriculture when you were dealing with this?

OLMSTED: They had some people who were technically competent, I think. Most of them were very cautious bureaucrats who were not inclined to climb out on any limbs, and who tended not to see a very large picture. There was one fellow that we worked with who was a special assistant to Orville Freeman, and he has become very prominent in ecology matters, and things like that since. His name will come to me. Yes, his name was Lester Brown, and he was very bright and very helpful.

I can remember once when Bowles was back on consultation, and I accompanied him over to see Orville Freeman. They nearly got into a fist fight, Bowles was so mad at him over the way the Department of Agriculture was handling matters.

Q: Feeling that it was not being responsive, was that the problem?

OLMSTED: Yes, and feeling that they were encouraging Lyndon Johnson in the position he was taking. The first year I was in NEA, my work was almost entirely with the food for India program. I spent very little time on anything else.

Q: Did that change later? You were there for a number of years.

OLMSTED: Yes, it did. It changed over a period of time. The rains came, and the food situation in India very much eased, and other situations were much improved. And then I turned onto the other things that one does as a principal economic officer with regard to another country. Actually I was responsible for India, Nepal, and Ceylon, and I was able to spend a little more time on Nepal and Ceylon than I had that first grim year.

Q: What was the impression of how the economy of India was working? Was it basically a socialist economy? Or was it a mixed economy?

OLMSTED: Oh, it was mixed. As I've quoted before, Galbraith said there was this little layer of planning on top of the largest operating chaos in the world, and that describes it very well. It was socialist at the top, but the rest of it was sort of tribal capitalist.

Q: Were there any more American business efforts to get American business in there, or not?

OLMSTED: I should say Bowles made more of an effort than Galbraith. I don't think Galbraith was all that interested in American investment but Bowles was, and he made his

pitch to a lot of American corporations. Sometimes no more successfully than his pitch to the American government, or the Indian government.

Q: You left there just about the time the Nixon administration came in in '69, didn't you?

OLMSTED: No, I left India in '65, then I went to the Senior Seminar. Next I was in NEA/INC: India, Nepal, Ceylon, and then I left there after three years—I left there in '69 and I spent a year in an out of agency assignment to the Office of Economic Opportunity, and it was after that I came back to State.

Q: What were you doing in the Office of Economic Opportunity?

OLMSTED: Planning and research was the department that I was in, which had a lot of bright, young people who really didn't know what they were doing. It was kind of interesting in a way but I didn't think that they were very realistic.

Q: It was designed to find solutions to poverty.

OLMSTED: Yes.

Q: It was now the Nixon administration. Was the feeling the Nixon administration was giving much support to this type of operation?

OLMSTED: They did maintain a quite large Office of Economic Opportunity. I was very surprised to find out how large it was, and how much it was doing. But, as I say, I think a lot of the efforts were unavailing. Maybe some good things did come out of it, but there were a lot of impractical ideas that were bought and paid for.

Q: Were you brought there specifically because of your Indian experience—I mean dealing with a country with major poverty problems? Is that one reason why you were there?

OLMSTED: Well, it was my own interest. I wanted to see what the United States was doing in this field, and came away rather disappointed.

Q: Was there much transference of knowledge that you'd picked up in dealing with India?

OLMSTED: Not very much.

Q: Why don't we stop here, and we'll come back. We'll start with you in Personnel in 1971.

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Q: Today is September 16th, 1992. And Mary we had taken you out of the Office of Economic Opportunity where you say there was an awful lot of bright, young people, who didn't know what they were doing. And then you came to Personnel where you served from '71 to '75. What were you doing in Personnel?

OLMSTED: Initially I was a deputy examiner on the Board of Examiners, and after several months there, I was asked to move into the Office of Personnel to be one of the deputy directors. My field of responsibility was on the technical side, not the assignment side. I had to supervise such things as performance evaluation, position classification, and the rules and regulations, and make recommendations on personnel policy.

Q: First, let's go back to the BEX side as an examiner, what was your impression of the system, and how it worked?

OLMSTED: I thought it was too subjective, too impressionistic.

Q: They keep adjusting the system, and I think they adjust it more now in terms of keeping legal suits off their back than anything else. How did you find it was too subjective?

OLMSTED: Three examiners were pretty much determining the fate of the individual, and were affected by whether the coffee was right that morning, and whether the examiner had

had a fight with his wife, or whether he'd gotten a fender crushed on the way to work—he or she. I understand that since my service in BEX considerable changes have taken place in examination procedures.

Q: Then you came back and among other things on the technical side in Personnel, your were dealing with performance evaluation, which is always one of the major focuses of how we're going to change the system, or something like that. How was the performance evaluation system of the Foreign Service...we're talking about the early '70s.

OLMSTED: I think first I should give you a little of the general background. There had been very severe criticisms of the way, not only performance evaluations, but promotions, and also assignments were being handled. And the suicide of John Thomas who had committed suicide after not being promoted, and being selected out, was illustrative of the problem. His wife made a career...

Q: I saw she was still stationed abroad somewhere.

OLMSTED: Is she really?

Q: But I think the issue was that he had been selected out, and then they found that some of his papers had been mixed up, or something like that, with another John Thomas. I'm not sure if that was the...

OLMSTED: My memory may not be as good as yours on this because I came in after that episode took place, and I was not dealing with it. People considerably senior to me were handling the issue, it was that hot at that point, and I never saw his file. But what I'm trying to lay out is the atmosphere, it was almost a siege mentality that we were developing there with so many complaints, and so many criticisms. One officer in Personnel would say to another, “Don't ever write anything down that you wouldn't want to see on the front page of the New York Times.” We were very careful how we handled certain individuals during oral interviews, and so on and so on. And the performance evaluation people were particularly

under fire, although we had an experienced Civil Servant who was running it, I had to spend an awful lot of time working with them.

Q: You feel you're under attack and it is a period where everybody will believe the worst of the system but at the same time then how were you operating? Were you making any changes? Or just being extra careful?

OLMSTED: We were making changes. The selection out procedure was considerably modified. We lengthened the time in class that was permitted before selection out. We established a grievance procedure. And we began to look at things very much more carefully. There was consideration given to discarding the full concept of promotion up or selection out. And we had many meetings and discussions of that but finally we did keep it but in a modified form.

Q: You must have had a chance to look at a lot of the personnel files.

OLMSTED: Yes, we did.

Q: What was your impression about...I mean, we'd gone from when we both came into the Foreign Service where you really didn't see anything until you were away from post and came back to Washington to a time when everything was fairly open. What was your impression, in this early '70s period, of how the efficiency reports were written, and their fairness.

OLMSTED: A comment that a public member of a selection board made had always stuck with me. This woman was in the academic world, and she made the comment that, all grading systems (and she said that performance evaluation is essentially a grading system) “They're all unfair, there's just no question about it.” But she said she'd looked at many of them, and she thought ours was characterized by a wish to be fair. And really genuine efforts were made in that direction, and I think that's a fair statement. There were

mistakes, there's no question about it, and sometimes there was unfairness. People aren't always honest, we've got to face it. And people covered up when they could.

Q: Where were you feeling the challenge was coming from? The rated officer? For a rated officer who didn't get a promotion? Was the feeling, "My God, we're going to end up in court," or something like that?

OLMSTED: The pressure was from the people who felt that they had been dealt with unfairly. Now, some of these accusations were not themselves fair, but that's the nature of things, and we understood that. A grievance procedure was set up. There was internal grievance procedure that people could first use, and then there was the grievance board was established which was outside the Office of Personnel, and outside people served on it. Any grievance could go to that as well.

Q: I was just wondering where the pressure was coming from. Was this basically really a minority?

OLMSTED: Oh, yes, a very vocal minority. We sometimes referred to some of them as professional grievers.

Q: My impression again is somebody just in the system, and not having ever grieved, was that with a few exceptions...I mean there were people going around the corridors of the State Department who had grievances, who would corral you, and talk about what their problems were, and I'd think, "Oh my God, I'd never hire this person." Maybe there was a cause, but usually in very simple terms, "This is a loser." Once it takes it over, the grievance system might be good, but essentially one became very leery within the system if people used it, with some exceptions.

OLMSTED: Yes, that's true. I think there was an attitude among a lot of us who came up through the ranks...everybody gets stabbed in the back once in a while, and we kind

of shrugged it off and then went on, and the people who brought grievances were not prepared to shrug it off. They did bring about some changes, some of which were needed.

Q: Were you involved in the placement of people?

OLMSTED: No, I was not dealing with assignments. That was strictly another part of the Office of Personnel.

Q: Did you get any feel about political appointments, or were you out of that realm of Personnel?

OLMSTED: Oh, a little bit. My office often processed, after the decision had been made that X, Y or Z political appointee would be appointed, we would process the papers.

Q: Did you get any feel some of the Nixon...this is during the high Nixon period, about their competence, or not?

OLMSTED: No more than I think I would have gotten from being in the Department at the time.

Q: Who was running Personnel at that time?

OLMSTED: William Hall was the Director General, and Bob Brewster was the Director of Personnel. Those two jobs were separate at that time, since that time they've been combined. There have been a lot of reorganizations in the Office of Personnel. The job that I had no longer exists as such.

Q: I guess it was your final assignment when you went to New Guinea, or did you have another one?

OLMSTED: Yes. My next assignment was Port Moresby.

Q: You served as ambassador from '75 to '78. How did that assignment come about?

OLMSTED: I had been in Washington for a long time, and I was looking for an onward assignment, and was getting nowhere with it when one day there crossed my desk a big fat memorandum asking for permission to open a new post in Port Moresby, Papua New Guinea. And as I thumbed through the memo I thought to myself, “I wonder what poor devil we will send to the jungles of New Guinea?” But somehow it stuck in my mind. I didn't know anything about New Guinea—hardly anybody did. I looked it up our of curiosity in my encyclopedia which gave me just very little information, and I stopped by the library and looked up a little bit more about it, and somehow it just stuck in my mind. I began to think, “Wouldn't it be fun to open up a new post.” So I thought it over very, very carefully, the pros and the cons. I didn't have an assignment, nothing was on the horizon, I'd been turned down for two or three, and, why not, and see what would happen. So I wrote a memorandum to the Director General and sent copies of it to the Director of Personnel, the head of assignments, and everybody else I could think of and said I would like to be considered to open the post, which would open as a Consulate General in Port Moresby, Papua New Guinea. Well, dead silence ensued. And several days later the Director General came into my office with my memo in hand, and he said, “You really mean this?” And I said, “Yes, I do.” And he said, “If you mean it, I can get that assignment for you.” But he said, “I want to be sure you mean it.” I said, “Yes, I mean it.” So indeed he delivered. There was some protest from the desk level in the geographic bureau, but I weathered that storm. The desk thought it was nonsense to send a woman to Papua New Guinea.

Q: Was it a woman, or because you weren't an Asian hand?

OLMSTED: Being an Asian hand doesn't mean much in Papua New Guinea.

Q: But usually posts...I remember you talking about the realities, talking about the feudal system within a bureau.

OLMSTED: The issue with the assignment was my being a woman, that was point was made very clear, and in writing, and when I got that memo I had to laugh a little bit. I said they won't dare cancel this assignment now that there is written evidence that cancellation would be on the basis of discrimination.

Q: Just to get a little feel, because there has been sort of a sea change in the attitude towards gender, but at that point what was the feeling...I mean you were in Personnel towards assigning women. Had there been efforts made to change this?

OLMSTED: I might go back and give you a little more background. When I was in the Office of Equal Opportunity, I began to become interested in the formation of a woman's organization in the foreign affairs agencies, and when it became a formal organization I became the first president of it. It was because of that, I knew, that I was asked to go into the Office of Personnel. It was felt by the Director General, and others like Bill Macomber, who was then the Under Secretary for Management, that they had to bring some of the dissenting people into Personnel, and have them on the inside, rather than on the outside. I had no particular responsibilities for women's affairs in the Office of Personnel but nevertheless every now and then someone from assignments would come in informally and say they were thinking about doing this or that concerning women, and what did I think. So I did have a little input in that way. And I worked with the head of the EEO office, Gladys Rogers, on things, but these were all informal arrangements.

At the official level, of course, there was no prejudice, but when you got down to individuals, yes, there was.

Q: When this memo came through from the East Asian Bureau, this isn't a post for a woman. What did you do?

OLMSTED: The memo went to the Director General, and he brought it into me, and said, “Read this over and tell me if you still want to go.” I read it over and said, “Yes, I still want to go.

Q: What were the arguments?

OLMSTED: That it would be dangerous for a woman. A woman wouldn't be accepted by the male dominated society of Papua New Guinea.

Q: Did you run into any problems with the White House?

OLMSTED: I went to Papua New Guinea as Consul General and therefore the White House played no role in my assignment. And after the time of independence which was 15 months after I arrived there, the question of an ambassador came up, and I don't know what went on back in Washington. They were rather slow in designating me, and I knew it was entirely possible I would not get the job, and I knew I was going to be awfully annoyed if I didn't. I thought definitely I will not stay on as DCM under an ambassador. I made up my mind to that, but you win some and you lose some. I thought I'll see what transpires. Then one afternoon the cable came through telling me that the President wanted to appoint me as ambassador.

Q: You opened the post?

OLMSTED: Yes.

Q: In the first place, what was the situation in Papua New Guinea at that time, and then how does one go about opening a post in obviously not an easy place.

OLMSTED: Papua New Guinea was then under the aegis of Australia. It had been given self-government more than a year before I arrived there, but the Australians were still very much in control of the foreign policy and defense, and a few things like that. They

were steadily turning over responsibility to the Papua New Guineans, but there were a lot of Australian advisers still in the government, and they played a very considerable role. When I got there I knew I would have to deal both with the Papua New Guineans and with the Australians. I didn't want to seem to be, or to be seen to be in the pocket of the Australians. I wanted it absolutely clear that the United States was playing a role vis-a- vis the Papua New Guineans, and was respecting their self- government and the fact that they were emerging as an independent country. At the same time I didn't want to antagonize the Australians. So there was a little bit of a balancing act that had to be played.

I kept on good terms with the Australians, certainly I talked to them many times very freely. They did too, although there were some Australians who were a bit anti-American, and who resented the fact that we were opening a post there, and felt that we were going to try to take over. It was made very clear to me in the Department of State before I went out that we were not going to take over, we were not going to be the predominant foreign power in Papua New Guinea, and we should remember always that the U.S. would not try to replace Australia as the regional power. So I walked a straight and narrow line.

Q: What was your impression, for instance, take the Australian side of how were they...I always think of the Australians as still being a little bit from the cowboy stage—one, being a woman, but being an American even more, there was a lot of gratitude, but still obviously we're a major power there. How did you find the Australians in Papua New Guinea?

OLMSTED: There was something of a generational gap. The older ones who remembered the Second World War tended to be very friendly, and very pleased to see me. My phone would ring in an afternoon and someone with an Australian accent on the other end of the line would say, “We haven't met yet, but we've always liked Americans. Won't you come over and have drinks and we'll get acquainted.” And I always went. That side of it was very, very pleasant.

It was the younger ones who were much opposed to the Vietnam war, and some of the left-wingers, and there were a few up there, who could be pretty bristly. I remember walking into the compound where the government offices were at that time, the Papua New Guinean government offices, and I heard an Australian voice behind me saying, “Well, where is your CIA attendant?” I was by myself, and I turned around to this Australian whom I didn't know, and I said, “I don't have one.” And he said, “You can't tell me that.” There were a few bristly episodes like that, but I let them pass by.

Q: In dealing with Papua New Guinea government, did you have the feeling there was much preparation to get them ready for independence. It's a pretty difficult country, it's broken up into all sorts of tribal regions, and almost impossible to get into it.

OLMSTED: The Australians were very, very slow in making up their minds what they were going to do about Papua New Guinea. They were concerned about the strategic considerations, about the possibility that the hordes from Asia would come pouring into Australia. And at the same time they didn't know what to do. There is a racial feeling in Australia, and they didn't really want all these black people as Australians. Their hand was forced in the early 1960s when a UN delegation went there to review the status of Papua New Guinea under the overlordship of Australia. They wrote a very stinging report criticizing Australia very sharply that they had not done enough on education, they had not done enough about training, they were not bringing Papua New Guineans into the government, and on and on. This really hurt the Australians. So they made up their mind then that they would give Papua New Guinea independence whenever it was ready, and asked for it.

And at that point they began a crash program of education. Well, you can't do it that way. It just takes longer. What they should have been doing for a couple of generations, they tried to do in ten years. They built a handsome new university in Papua New Guinea, and funded it well. They built a fine new Institute of Technology, and they funded that and sent a lot of Australian teachers up there, etc. But when you get down to the primary schools,

you can't send an Australian into the back woods in Papua New Guinea as a teacher. Most of them won't go in the first place, and if they do, they don't speak the language, they don't know anything about the local customs, etc., and therefore the education moved very slowly. And what developed was an educated elite, somewhat Australianized, and then the rest of the country.

Q: You had this educated elite...but let's talk about the situation first. This was before independence, what did you have? This relatively small group all living in Port Moresby, pretty much?

OLMSTED: Pretty much.

Q: And then one has the feeling that there are extremely primitive tribal people, many of them undocumented, or anything else. Did they seem to be able to go out at all to meet their so-called constituents?

OLMSTED: Yes, they did. There is no question but there were close ties between the educated elite and the village people. They all went home for certain holidays, ceremonies, and whatnot, and the ties were not cut at that time. I think they probably have been to a certain extent by now, but I'm out of touch.

Q: When you went there was there much feeling about the United States, using the United States as a way to use you to get more out of the Australians, or out of the United States, or something like that?

OLMSTED: There were hopes that we would give aid there, and I had to make it clear to them that no, anything we did was going to be very, very small. I had to do it in a way that didn't offend them, or make them feel rejected. And this was a question that came up again, and again, and again, and as gently as I could got across the idea that they would have to continue looking to Australia as their major supplier.

Q: Here is basically in the diplomatic circuit a completely new group of people to deal with. Did you have any knowledge of how they would be? Every society is different, and here is one that would seem to be quite different. Did you have any prepping before you went there? Or when you got there did you learn?

OLMSTED: It was on-the-job-training. I did what reading I could, and I talked to what people I could, but essentially it was on-the-job-training. I just had to try this, and if it didn't work, try something else. I tried, for example, to send the Department of Foreign Affairs documents concerning the United Nations, or concerning U.S. policy and things like that, and I eventually discovered that they were feeling inundated by them, and they didn't know what to do with them, and didn't know how to react. So I eased off on that, and sent them things very rarely.

Q: There's the general thing that we're supposed to...well, this is before they became independent, we'll talk about that first. Again, how about being a woman? Did this bother them, or not?

OLMSTED: I think they were a little puzzled by it. By way of background I might say there are two distinct groups in Papua New Guinea, one of which uses a matrilineal system of inheritance; and the other is patrilineal. And the status of the women is much higher in matrilineal areas, and a woman can have real power. The husband is someone who propagates the children, but that's the end of his responsibility. It's the mother's brother who brings them up, and he is the one who tells them the family secrets, magic, and things like that. The father plays a very limited role, except with his own nieces and nephews. A woman can have a lot to say on who in the clan gets which piece of land, and that's important, and consequently the people who came from those areas were much more accepting of me than those from the highlands, where a woman's place is really very low.

Now I learned considerably later, toward the end of my tour there, that the government of Papua New Guinea, the people who were running the country, were very puzzled when

the United States sent a woman there as their first representative, and they didn't know how to take it until the United States named Anne Armstrong as ambassador to the United Kingdom. They read about that in Time Magazine, and they thought, “Well, the United States sent a woman to London, and they sent one to Port Moresby.” And they felt that kind of put them in the same league as the United Kingdom, and they felt very pleased about it. Then they began to say, “We too should have women who are able to take high positions in our government. We should train them, and bring them along and give them appointments.” And I think my appointment there had something to do with improving the status of women in Papua New Guinea, and their ambassador here now is a woman.

Q: How did you find the Papua New Guineans when you went to see them with problems? Or just in regular dealing? You dealt with other groups.

OLMSTED: They usually didn't know what in the world to do. They didn't know how to do it, but they learned. There was one young fellow I remember particularly in the Department of Foreign Affairs, who when I first would go to call on him, I could see he just didn't have a clue what to do about this, that, or the other thing, but as time went on he began catching on. And by the time he left the Department, before I left Papua New Guinea, he was playing a role, he was making decisions, he was thinking things over in terms of what is in the best interest of Papua New Guinea.

Q: Did you ever find yourself in the position, as with new nations, and sort of in the American mode of we'd like to help people. Did you ever find yourself saying, “If I were in your shoes I might do it this way, or that way.” Or did you have to be very careful not to?

OLMSTED: I was pretty careful. I didn't really try to do a lot of that. Sometimes I would do it indirectly, but I thought I had better save that sort of thing for the more important matters, and not try to tell them how to tie their shoes, etc.

Q: Were there any problems in setting up the post itself?

OLMSTED: Well, the usual problems of setting up a post in a very backward country. Port Moresby is actually a provincial Australian town superimposed on some old Papuan villages, and added to that were the squatter settlements of people who came from the highlands drawn to Port Moresby for one reason or another.

First we got rooms in a building in Port Moresby which was over a lunch stand. There were two entrances, either you could walk by the garbage cans of the lunch stand, and climb the rickety stairs that way. Or else you could come in from the street behind, and bypass the garbage cans, and come up on a sort of porch. Our offices consisted of a number of small rooms the size of this...

Q: ...which is about 10 x 10 feet.

OLMSTED: Yes, and we tore down the partitions between a couple of them to make somewhat larger rooms. The rug was large squares of blue and green cheap carpeting, and there were orange and white curtains on the windows. We didn't try to do very much with it because we knew it was temporary. Our permanent offices were being built, a new building, a modest building made of cement blocks, but pleasant and comfortable, and with a gorgeous view of the Coral Sea. It was constructed by an Australian firm and rented to us.

Q: What sort of staff did you have to begin with?

OLMSTED: The American staff consisted of a political officer, an economic-commercial officer, an administrative officer who also did the consular work...no, initially the economic officer did the consular work, but eventually we were able to change that, and two secretaries, one of whom also served as the code clerk— communications clerk. And we started hiring locals, and we decided that we would hire Papua New Guineans, not Australians. We got the word out on the grapevine that we were looking for people, and we had to train them. I had a very young American staff, they were very good in training the

local people. They really made an all- out effort. My secretary was teaching touch typing to the local staff, others were encouraging them to take correspondence courses from Washington and helping them with that. There was a very good feeling among the local staff and my junior officers.

Q: One looks at the map and you see pictures of the terrain, did you ever get out to travel around?

OLMSTED: I did a great deal of traveling.

Q: How did you travel?

OLMSTED: Mostly by air. You can't get very far except by air, but I did a lot of official traveling, and on weekends I used to take little excursions, one day, sometimes two days to see parts that I hadn't seen before. There is a great deal of variation in the country. It's very different from one part to another, and you have to see these different parts to get some feeling for it.

Q: Would there be the general Foreign Service thing where you go out and call on the equivalent of governors, tribal chieftains, or not? Or just go to a tourist place or something like that?

OLMSTED: When I went out on a weekend I did not try to make formal calls because Sundays are observed in Papua New Guinea. Officials do not do office work then. Otherwise I would usually set up an arrangement in advance with the district officer, who initially was usually Australian. They were gradually turning over to the Papua New Guineans, and I would work through the government in Port Moresby saying I wanted to take a trip thus and such an area, and I would like to see this or that, and perhaps the district officer could suggest other places I might see. Now, that all changed when they instituted a system of provincial government, and then they had a provincial premier, and

certain government officers, and I would pay calls on them. Sometimes I would be asked to make a speech, sometimes I'd give a little cocktail party, it depended.

Q: You were there from '75 to '79. There was our collapse in Vietnam came in '74, were you feeling the aftermath at all? Were they looking at the United States and was our commitment to Asia? Or was that too sophisticated?

OLMSTED: Vietnam was a far off place, and they really weren't interested. At the time of the resignation of President Nixon, I remember it was shortly after we opened our office...

Q: This was the Watergate affair.

OLMSTED: ...the Watergate affair, and I remember...I think there were only three of us on the American staff then. We huddled around a radio and listened to his resignation speech at the White House, and then the administrative officer stood up and said, “Well, that's that.” And as luck would have it, I was having dinner that night with the editor of the local English language newspaper, and I rather braced myself. I thought, “Oh, oh, this is going to be a great evening.” But nobody said a word, not a word. I didn't either.

Q: In the first place, what sort of things were you reporting on? Just a general building up the information archives?

OLMSTED: Yes. A lot of new legislation was being passed, things that were of interest in Washington such as their basic laws on mineral rights, and mining, and things like that. And I had a very competent political officer who could study a vast mass of material, and write a very sharp paper.

Q: Who was that?

OLMSTED: Mark Easton. He's no longer in the Service. He did a lot of basic reporting on labor laws, and other things that would be of interest to an American corporation going to Papua New Guinea. And also, there's a very intense political situation, politics at the

county level. New political parties were being established, they were breaking apart, and still newer ones were being formed, and people were defecting from this party to that party, and so on. He was very much interested in that, more so I think than the Department ever was, and I think we probably sent back a lot of cables and airgrams that weren't very closely read. But I thought it was good for the young officers to get some training.

Mark called me up from the parliament one day when we were still a Consulate General. This was before independence although there was a lot of discussion going on about independence. He said, “I think they're going to take the decisive vote on independence. Come on down.” So I went down, got in the visitor's gallery, and sat there and watched as the Chief Minister, as he was then called, made a very impassioned plea for them to vote for independence as of a certain date. The vote was taken, and was in favor of independence, and I was one of the first to congratulate him.

Q: First, you came to be made ambassador. You said you were getting feelings of hemming and hawing back in the Department from the Bureau, or the White House?

OLMSTED: I should tell you the story of why the Chief Minister moved ahead when he did. He told me the story later. The night before the crucial vote was taken he had a dream, and he was back in his native village, and he was in his canoe, and he was paddling. He said it was moving very rapidly over the water, and he was just going along at a great rate and he felt very calm, and very confident, and when he woke up he thought, “This is the way my drive for independence is going to go.” So when he got to his office he called up the leader of the opposition and said, “I'm going to press for a vote on independence today in parliament.” And the leader of the opposition said, “I'll fight you all the way on this.”

As I mentioned before, I was in the visitor's box which happened to be right next to where the leader of the opposition sat, and usually what happened was, one of the Australian advisers to the leader of the opposition would sit in the visitor's box and pass him notes. But the Australian adviser was off someplace having a short beer or something, and the

leader of the opposition didn't have any guidance, so the vote went through. And it all turned out just the way the canoe ride predicted.

Q: Were the Australians taking any sides on this particular thing?

OLMSTED: The Australian government was certainly not. They were just saying, if you ask us for independence we will grant it to you. There were individual Australian advisers of all stripes, all kinds of people, and some of them were opposed to independence for a variety of reasons. Some of them though Papua New Guinea wasn't ready for it, and of course, it wasn't. Others, I think, were hoping to defer independence as long as possible so that their economic base, their plantations, would be more secure. I suspected there was some racial feeling, anti-Papua New Guinean feeling involved in that with some of the Australians. They thought these people just aren't fit for independence, they're just nothing, they shouldn't be independent.

Q: Was there an independence ceremony? Did anybody get sent out and all that sort of thing from the United States?

OLMSTED: There was a great ceremony. It was treated rather casually by Washington which was not terribly eager to get up a great big delegation. And the Australian adviser in the Department of Foreign Affairs said to me privately that he hoped the United States would not send a large delegation, or a high level delegation. He said, “It's going to be very difficult for us to provide the kind of security that you would expect.” And I think that was true. When I reported that back to Washington any thoughts of sending a high level delegation fell by the wayside. And they sent the Governor of Iowa, who was then the Chairman of the Governors Association, and the mayor of Ft. Lauderdale, who is now a member of Congress, and they and their wives came. They came up on a special plane from Australia which brought a large number of the independence visitors and delegates. When they arrived at the airport in Port Moresby, the tarmac was filled with many groups of tribal people dancing in tribal ceremonial costumes, dancing and singing. It was just a

kaleidoscope of color. It was a sight you can't imagine. And as they were coming down the ramp of the plane, our delegation saw all this. It just blew their minds. I could hardly get the American delegation in their official car, they were so busy taking pictures. And then there was the ecumenical ceremony which the Prince of Wales attended, he was the representative of the Throne. They had a few important people sitting on a little bench at this ecumenical service, which was in the Catholic cathedral, and of this group one of them came in tribal custom with his bow and arrow. And among the congregation there were a few people in tribal costumes.

I might tell you there had been quite an argument in the diplomatic corps among the men as to what the proper dress was going to be for these occasions, and the British were holding out for the most formal regalia possible, black tie, if not white tie, and cutaways, and all that. The Australians weren't about to go into that sort of thing, and moreover they didn't want the British trying to tell them what the proper dress was in their own backyard. Things got a little tense in some of the diplomatic corps meetings. I sat there and enjoyed it thoroughly. Listening to men wrangling over what clothes they were going to wear can be quite funny.

Q: Did you have to have a hat?

OLMSTED: No. Hats were almost unknown there. And finally the Australian High Commissioner, who was presiding over the meeting, said in a very firm tone of voice, that the Governor General of Australia had been in Papua New Guinea recently, and he had worn what was called tropical formal which was a white shirt and tie but no jacket, and he said, “That sets the style for us. This is what the Australians are going to wear.” And the British High Commission said, “Well, he was very poorly advised.” And since the advice had obviously come from the Australian High Commissioner, that didn't go over very well either. Anyhow, I was watching with some curiosity to see what the Prince of Wales was going to wear. At the ecumenical service he was wearing a military uniform, but at the reception for him, he wore a medium-blue safari suit, slacks with a short-sleeved shirt/

jacket and, of course, no tie. It was very informal. Chalk one up for the Aussies, I thought to myself.

Q: Okay, at the reception?

OLMSTED: Yes, at the reception for the Prince of Wales, which was given by the Governor General, and to which everybody who was anybody was invited. It was really a very crowded occasion in the gardens of the Governor General's residence, very lovely gardens. I happened to glance up and I saw the Prince of Wales standing at the head of the stairs leading down to the gardens, and I heard the band begin to play “God Save the Queen”, and the Prince stood there and the band played, and people kept on talking and talking and talking. It was getting to be a real embarrassment, when finally a hush fell over the crowd and they listened to the last bars of “God Save the Queen”, and the Prince came down and joined us, and we all met him.

Q: When you became ambassador did anything change?

OLMSTED: Very little. I had operated very independently as a Consul General. I think the embassy in Canberra sometimes thought I was a little too independent. Be that as it may, I didn't want to be in the position of standing at attention to everything the embassy in Canberra said. I didn't think they knew the situation, I didn't think they were in the best position to make the decisions. So I asked them as little as possible, and tended to ignore their advice when they gave it.

Q: When Papua New Guinea became independent, then they assumed a seat on the United Nations?

OLMSTED: Yes.

Q: Did you find yourself going and asking them to vote on things which they had no idea what it was about?

OLMSTED: Yes.

Q: This was traditional that we round up votes. Any examples of things you'd go in and try to...

OLMSTED: I can't remember any examples of them, but I did have to ask them for their vote on any number of matters, and in some cases they would say to me, “This is a matter that doesn't concern Papua New Guinea, and we don't feel that we want to take a stand on it.” And I felt we should respect their feelings in this matter. A lot of those votes really didn't make much difference. We had an overactive group at the UN, and they were rounding up votes like mad on things of very little importance. So I would send the word back to Washington Papua New Guinea was going to abstain.

Q: Did you have to go back to have Congress pass on you?

OLMSTED: They did it in absentia.

Q: Here is Papua New Guinea, a brand new state which is black. There are always racial problems in the United States working at it, and all that, all those incidents, all those problems. Did you find that these would get played up by say the local papers, or something like this, and cause you difficulties?

OLMSTED: The principal paper there was Australian owned, and Australian run. It tended to be, like many Australian papers, rather sensational, and sometimes they did play up things. I don't remember racial problems in particular, but things that were perhaps a little discreditable to the United States, they might cheerfully play up. There was a paper in Pidgin, which was actually owned and run by one of the Catholic missions, and it was more widely read by the Papua New Guineans than the Post Courier, the Australian paper. But that paper wasn't really interested in things like that, they were interested in local matters almost exclusively.

Q: Did you and your staff work on Pidgin English?

OLMSTED: Somewhat. Pidgin is the language that is used in the highlands, but not around Port Moresby. In Port Moresby they speak Hiri Motu which is not very widely spoken except around Port Moresby. This meant that you picked up a little bit of Hiri Motu, a little bit of Pidgin, but not very much of either one of them. English was pretty widely spoken, although in the parliament they debated to a considerable extent in Pidgin. I always went down to hear the presentation of the budget, and that is something that would be presented in English.

Q: It would be almost impossible to put it in...

OLMSTED: Pidgin has a lot of circumlocutions.

Q: Did we put in any Peace Corps, or anything like that while you were there?

OLMSTED: No. The Foreign Minister had picked up somewhere along the line before I was there the idea that the Peace Corps had gotten involved in politics in Micronesia, and he didn't want them in Papua New Guinea because of that. I think he was wrong in his assessment, but I did not think it would be wise on my part to try to insist that he should have the Peace Corps in Papua New Guinea. If he didn't want them, I thought I ought to accept his judgement on this. He went out of office eventually at the turnover of administrations, and the Peace Corps was brought in just in my last days there. I think they played a useful role.

Q: I would think there would be a particularly good place for a Peace Corps situation.

OLMSTED: Yes. I was accredited also to the Solomon Islands, and we did have the Peace Corps there. They played, I think, on the whole a useful role, although we did have some problems. One young man tried to import some marijuana, and got caught, and he was expelled. There was another older Peace Corps man who was almost racist in his

antipathy toward the Solomon Islanders. I discovered this. I visited the school where he was teaching, and I had a talk with him and I didn't like his attitude at all. I told the Peace Corps director this, and he pulled him out of there.

Q: Could you talk about your responsibilities, and how you dealt with the Solomon Islands?

OLMSTED: I tried to go over there about four times a year, and I would send word ahead saying that I wanted to pay a visit, and would this time be convenient for them? I usually tried to take a trip outside Honiara, the capital, and I'd ask them in advance would they plan a trip for me, perhaps to Malaita, or perhaps to...

Q: What was the main island?

OLMSTED: Guadalcanal. ...and they would do so. I sometimes had a cocktail party at the main hotel there for some of the government people. I would pay calls. We had very little business with the Solomon Islands, but I thought it was important to show a friendly interest in how things were going along. So I called on the Prime Minister, the Foreign Minister—it was often the same person—and on a few of the other government officials, and then at whatever island I was visiting, I'd call on the district officer there.

Q: Well, more on the Solomon Islands and Papua New Guinea. Was there concern at that time about Japanese influence, I'm thinking any commercial influence. Were we worried that they might take over?

OLMSTED: Yes, there was. There was an anti-Japanese feeling among some of the Papua New Guineans. The Japanese had been very cruel in many parts of the country in their occupation. They occupied part of Papua New Guinea, and they left behind a legacy of considerable animosity, but not in every place. In the Prime Minister's village, they had a very enlightened Japanese chief military officer, and he had been very kind to people, and done a lot for them, and the Prime Minister gave one of his children a Japanese name. In fact, there was fear of any foreign domination, whether it was economic or otherwise.

They were afraid of the Indonesians, they were afraid that Indonesia was getting a little too interested in Papua New Guinea. There were troubles along the border because the people in West Irian were Melanesians, and they were related closely to the people on the Papua New Guinea side. The national line, the border, was a completely arbitrary line, and it divided some tribes and lands with the result that there were very close ties across the borders and people moving back and forth as they always had.

There was a very small scale rebellion in West Irian. A small group of people would hit and run against the Indonesians, and sometimes they would run across the border into Papua New Guinea, and the Indonesians would follow. That made the Papua New Guinea government mad, and it scared them. The Indonesians were just incensed at the thought that the rebels could get a safe haven on the Papua New Guinean side of the border, so there were definite tensions.

Q: Looking at the map, and looking at that big border there, it's a pretty straight line across, I can't imagine any state, but particularly one brand new, broken up in all these tribal units, would have any control, or any real sway over that interior there.

OLMSTED: They didn't have a lot of control, or a lot of sway, but I think in Port Moresby they knew what was going on through unofficial communications, if nothing else. Incidentally, the secretary, the top civil servant in the Department of External Foreign Affairs, was a close relative of one of the leaders of the rebellion on the other side. He was under family pressure to give support to the Melanesians on the other side of the border. He was also under suspicion on the part of the Australians, and some of the others, that he was being too interested in helping the rebels.

Q: When new embassies open up, I mean we came in fairly modestly, did the Japanese weigh in rather heavily at that time?

OLMSTED: Yes. Of course, the Australians were there from colonial times, and the British were the second to open, the Indonesians were the third, and we were the fourth. And

then came the Japanese, and eventually several of the others. New Zealanders came in too. The Japanese opened up in a fairly big way. They had experienced people that they were sending in, and I've forgotten the size of their staff now, and they had a very nice residence, and they took offices initially in the main office building in Port Moresby. Then later they built their own place. The Japanese were at a disadvantage in that they're rather a formal people, and put great store in doing things correctly. Whereas the Papua New Guineans couldn't care less about protocol and all that nonsense. The Australian High Commissioner once said to me that the two peoples that he had observed who were the least concerned about protocol, were the Papua New Guineans and, he said, the Americans. They he looked at me and said, “I suppose I shouldn't be saying this to you.” I laughed, and said, “I think it's true.” Things that the Japanese were taking as slights, and the British were getting annoyed over, I let them roll off, I just didn't care.

Q: What were American interests as you saw them, and as Washington saw them in Papua New Guinea at the time?

OLMSTED: Let me answer a slightly different question. I saw that our objectives were to demonstrate a friendly interest in a newly independent country, and that meant a lot of PR work, and a lot of what I did was essentially PR. What our interests were initially, very little. Potentially we might have an interest in their very considerable natural resources. And we might eventually have some very heavy investment there. The nature of their resources is such that there would be almost nothing in the way of small investment. But there could be some very large, and I'm talking a hundred million—several hundred million—dollar investments, and there might be quite a few of those.

Q: What type of things?

OLMSTED: Copper, gold, petroleum. Probably not timber, the Japanese were interested in timber, but I don't think we were likely to get interested in that. The country had never been very well explored geologically for mineral deposits. It was known there might be some

things that we didn't know about yet. They had some rare earths, and whether those were available in ample quantities or not was not known at that time... We were also interested in seeing that difficulties with the Indonesians should not develop. A border war would be a very nasty thing. Indonesia could go in and wipe out the Papua New Guinean government, there's not much question about that, I think. They would have a great deal of trouble in conquering the countryside, but they could march in if they so desired. I didn't think that was a likely prospect, but who knows what turn of events will take place and when, and this was something that Washington wanted to keep an eye on.

Also, it was realized that the Australians would be terribly, terribly upset if the Indonesians started flexing their muscles towards Papua New Guinea, and we have a treaty arrangements with Australia, and very friendly relations.

There was always a possibility that the U.S. might consider Papua New Guinea as an alternative to our bases in the Philippines, but that seemed to be pretty unlikely. Of course, we had very large bases there during the Second World War, and there are some very fine harbors in Papua New Guinea that would be suitable, but the investment would be enormous and that was a pretty remote possibility.

Q: How about with the Soviets. Did the Soviets have any representation there at that time?

OLMSTED: No. They asked for representation, but were denied.

Q: Did we play any role in that?

OLMSTED: Not in Papua New Guinea, no. Whether we did in Washington or elsewhere, I doubt it, but I don't know. I think it was the Australians who played some role in that, but this was never discussed with me. I just accepted the fact that they were saying no to the Soviets. The Chinese eventually did come in while I was there.

Q: In large, or was it modestly?

OLMSTED: It started off modestly. It was in the latter days of my assignment there, and they have grown since then.

Q: As I'm an old consular officer, did you have any consular problems of young Americans wandering off into the highlands?

OLMSTED: No, not really. There were 3500 Americans there, almost all missionaries, and they were a group that didn't very much get into trouble. They had been there for a long time, and they had their own local contacts. I tried to do the proper thing by them. I'd call on missionaries when I was traveling, sometimes I stayed with them, and tried to entertain them occasionally in Port Moresby. The first Fourth of July party there, we decided that we would have to have two parties. The residence wasn't large enough to hold everyone at one party, and we decided to have the government officials to the first, and the Americans to the second. And my staff persuaded me that I should serve coffee and doughnuts because all these missionaries would be affronted if we offered them liquor. I agreed to do so and we had this coffee and doughnut party for the missionaries, and I heard for months afterwards about how we had given champagne to the Papua New Guineans, and coffee to the Americans. I never did that again, there were always soft drinks along with the liquor and if the missionaries wanted to drink them, but if they wanted the real stuff they could have it.

Q: Did you find the missionaries were a good source—intelligence is the wrong term, but in other words, what's going on out there.

OLMSTED: Yes, sometimes. Sometimes I thought they couldn't see the forest for the trees, that they were too well informed on very local matters, and they couldn't look at a bigger picture. But it was very interesting to talk to them, and I must say I thoroughly enjoyed visiting with them. I was invited by one missionary to the official opening of a school that had been named in his honor. The school had been opened for about five years, they're a little slow in having these ceremonies. So I went up there. They had a big

ceremony and I was asked to make a speech. The missionary warned me in advance that I would be given gifts. He said, “You may get a live chicken, and if you do, just accept it and hand it to me.” Well, I did get a live chicken, and I did hand it to him, and I expect it ended up in the pot. But also I got a couple grass skirts, and a couple axes.

Q: What was the Papua New Guinean attitude towards the missionaries?

OLMSTED: Really quite good. Many of the missionaries had been there since they were squeezed out of China. A lot of them were old China hands. They had provided both educational services and medical services, and these were very much appreciated. And the government realized that if the missionaries pulled out, the government would not be able to fill the vacuum of teachers, doctors, nurses, hospitals, and so on. Consequently, they were not under any pressure. The mainline churches were represented there. The Catholics and the Lutherans were the two big ones. In addition, just about every denomination you've ever heard of had at least one small mission there.

Q: Is there any other thing that we might cover about your time there, or not?

OLMSTED: It seems to me we've hit most of the high spots. I also went to the independence ceremonies for the Solomon Islands. Senator John Glenn was the head of our delegation. Initially it was proposed that Senator Kennedy—Ted Kennedy—should head our delegation. He was quite interested in the idea, but the logistics were horrible. What he wanted to do was to pay a visit to the Plum Pudding island where John F. Kennedy swam ashore after his PT boat was sunk by the Japanese, that famous episode. And getting there was indeed difficult. I went over and talked extensively to the government of the Solomon Islands, to the people who had the planes, etc. I was told that Senator Kennedy would probably have an entourage of around 20 newspapermen with him, all of whom would want to go to the Plum Pudding island. In order to get him there, after he arrived in Honiara, he and his party would have to get on small planes to Munda, and then on to Gizo. And at Gizo they would have to get into motorized canoes—and

go to the Plum Pudding island. But the wind would have to be in the right direction, and they couldn't get there if the wind was in the wrong direction. Well, when I sent back this information, Teddy Kennedy said, “Thanks a lot, but no thanks.” So they asked John Glenn to go, and he was absolutely fascinated by this because he had been somewhat north of there in the Marine Corps.

Q: Yes, a Marine Corps pilot.

OLMSTED: When the delegation went over to Honiara, we were taken out in a glass-bottomed boat and on the bottom of the harbor you could still see sunken ships. Not only ships, but planes, and Senator Glenn put on his diving gear and went down to see one of the planes that he had piloted during the Second World War. He said it gave him a strange feeling to be upside down in it under water. The delegation arrived in Port Moresby on July 3, and the next morning we had arranged for them to go to a village in the northern province where they would have to walk for a mile through the kunai grass to get to the villages. The villagers had dressed up in their ceremonial costumes with bows and arrows, and we warned our party in advance that they would be set upon with a mock battle. And they were, with the drawn bows and arrows, and stone axes, and so on, and then it all changed to friendship. They were taken into the village, and they talked to the villagers, and they had a great time. They just loved it. I run across John Glenn every once in a while, and his face lights up when I mention that trip, and he says, “That was just wonderful.” o It was something very much off the beaten track.

Q: Oh, I'm sure.

OLMSTED: We had Congressman Wolfe, who was head of the Narcotics Subcommittee.

Q: Frank Wolfe, was it?

OLMSTED: Leo...I've forgotten his first name. Anyhow, there was no narcotics problem in Papua New Guinea, and the delegation they brought was about three times the size

of my entire staff, which posed some problems. We arranged for them to take a car trip down to see some villages on the Papuan coast, and they enjoyed it very much. When they came back from that trip down the coast the air-conditioning had broken down in the car that Congressman Wolfe was in, and he looked like someone out of Rommel's army, dust all over his face except where his glasses had been. But they had a great time, and I understand they were talking about it for years to come.

Q: That's great.

OLMSTED: We had a lot of visitors in Port Moresby. People who had been everywhere but not Papua New Guinea.

Q: Did you get a lot of veterans who came back to see...well, there was the Papua New Guinea over the Buna Trail.

OLMSTED: Not nearly as many in Port Moresby as in Honiara. Most of them I did not see, but occasionally I did see them. Once when I was Honiara, I saw on my schedule they'd put a call on the chief of police, which rather puzzled me. I wondered what in the world he was going to talk to me about, and I was a little bit concerned. I was searching my memory for anything that might have arisen. When I got there I discovered it was a band concert. Some of the American service men had sent band instruments over to the police band and they wanted to give me a concert in appreciation. Wasn't that nice? I was very touched.

Q: Were there any war monuments from the American side in either Papau New Guinea or in Guadalcanal? I wondered if you got involved in wreath laying?

OLMSTED: No, there weren't. Nothing that I can remember. Of course, they were informal monuments, Quonset huts they were still using in Manus, roads that people would point out to me, “The American Seabees put this road in.”

Q: You left there when?

OLMSTED: '79.

Q: And you retired at that time?

OLMSTED: Yes.

Q: Well, its been fascinating. I want to thank you very much.

OLMSTED: It's a pleasure.

End of interview